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TOWN OF
Paradise Valley
ARIZONA

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FISCAL YEAR 2018/19 ADOPTED BUDGET

July 1, 2018—June 30, 2019

WWW.PARADISEVALLEYAZ.GOV

"Providing high quality public services to a community which values limited government; making every effort to enhance the community's unique character for its residents and people from around the world."

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TOWN OF PARADISE VALLEY

FISCAL YEAR 2018/19
ADOPTED BUDGET

WWW.PARADISEVALLEYAZ.GOV

TOWN COUNCIL

Mayor:

Michael Collins

Vice Mayor:

Jerry Bien-Willner

Council:

Paul Dembow

Scott Moore

Julie Pace

David A. Sherf

Mark Stanton

MANAGEMENT

Town Manager:

Kevin Burke

Town Attorney:

Andrew M. Miller

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ABOUT THE COVER

During the 2018 website redesign, Town staff identified an opportunity to harness the unique experience and talents of the residents. In this opportunity, staff requested photo submissions that would be used very prominently on display throughout the new website. Many residents took to the streets (and some through the air!) to capture the true essence of Paradise Valley.

The Town was fortunate enough to receive a large number of submissions, but only a few were chosen that would work well with the layout of the website and subsequently, this document's cover.

All photos that were submitted and collected during the website design process are available on the Town's website:

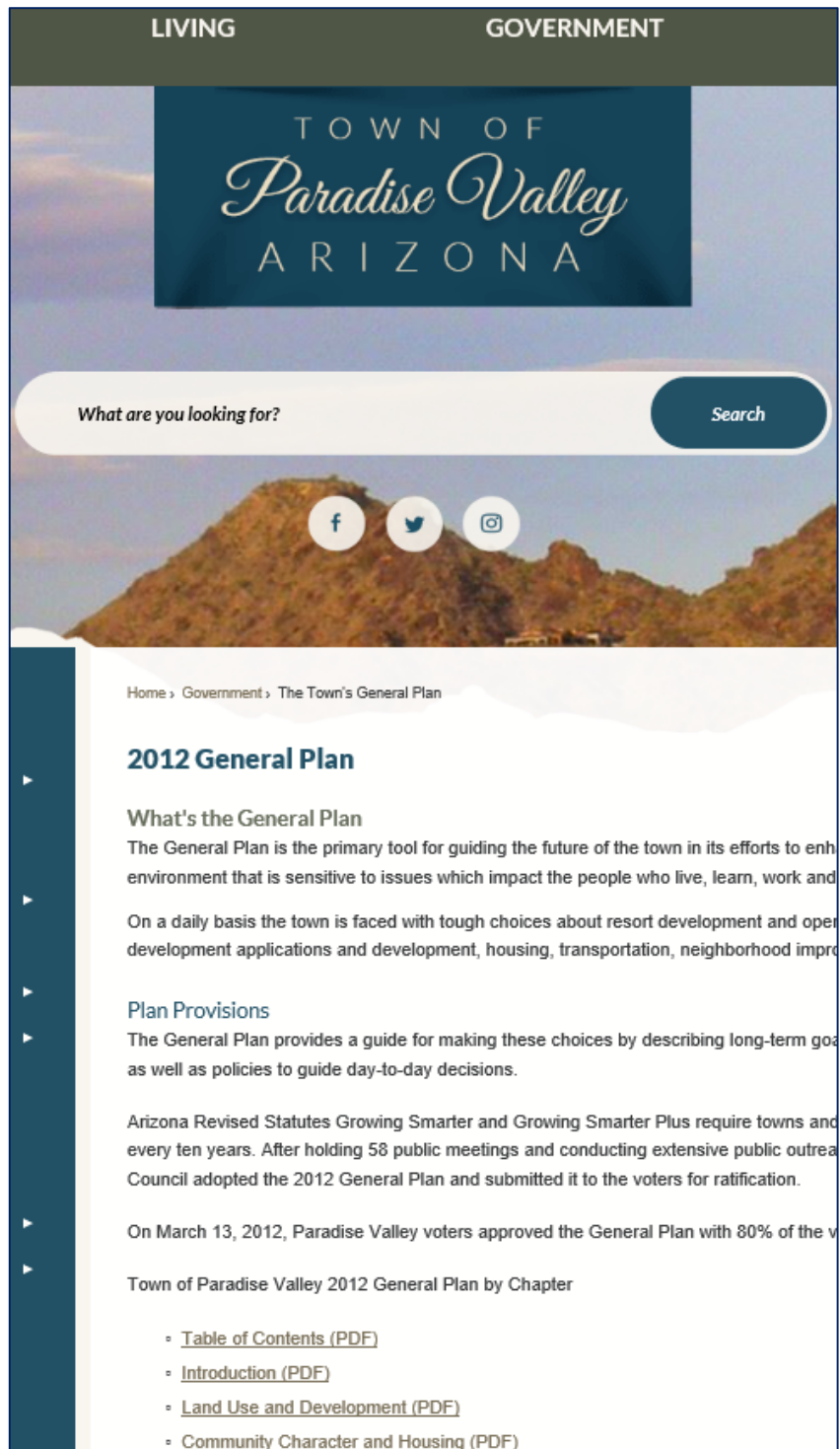
WWW.PARADISEVALLEYAZ.GOV

Home> Living> About Paradise Valley> 2018 Website Redesign Photo Submission

The top photo on the cover (and to the right) is the new web design that is intended to be customer focused and provide as much information as possible in the spirit of transparency and full disclosure. Type over the "What are you looking for?" and click the search button.

Town Council meetings are streamlined live and achieved for on-demand viewing.

We invite you to explore the site and welcome any feedback you have. Enjoy!



For more information regarding the Town's website, please contact the Town Clerk at:
6401 E Lincoln Drive, Paradise Valley, AZ 85253; 480-348-3610 or email link on the website under Town Clerk

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INTRODUCTORY SECTION

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The Government Finance Officers Association of the United States and Canada (GFOA) presented a *Distinguished Budget Presentation Award* to the Town of Paradise Valley for its Annual Budget for the fiscal year beginning July 1, 2017.

This award represents a significant achievement by the entity. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. To receive the budget award, the entity must satisfy nationally recognized guidelines for effective budget presentation.

These guidelines are designed to assess how well an entity's budget serves as:

- ✓ A policy document;
- ✓ A financial plan;
- ✓ An operations guide; and
- ✓ A communications device.

This is the **FIRST** year the Town has received this award and is valid for a period of one year only. Management believes that this document continues to conform to the program requirements and incorporates the feedback from the reviewers and plans on submitting it to GFOA for consideration.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Paradise Valley
Arizona**

For the Fiscal Year Beginning

July 1, 2017

Christopher P. Morill

Executive Director

July 1, 2018

Dear Reader:

How we spend the public's money is our most important business. The Paradise Valley Fiscal Year 2018-2019 Annual Budget provides that accountability.

The theme of this year's budget is workload, workload, workload. Between a thriving economy, policy changes and administrative mandates to improve service levels, the workload has reached a tipping point requiring thoughtful examination of how we provide the services the Town has committed to. This examination runs parallel to our long-term goals of paying down the unfunded police pension, building a sustainable capital improvement program, and maintaining a healthy fund balance. The Final Budget for FY19 attempts to balance these competing needs within the one-time and on-going revenue sources of the Town.

Total expenditures for FY19 are budgeted at \$55 million. This represents a 6% increase compared to FY18's \$52 million. This places us at the Paradise Valley voter approved expenditure limit. This was anticipated for several years as the Town seeks to accomplish the large financial goals of paying down the unfunded pension liability, retire debt, and maintain a sustainable CIP.

Revenue Changes

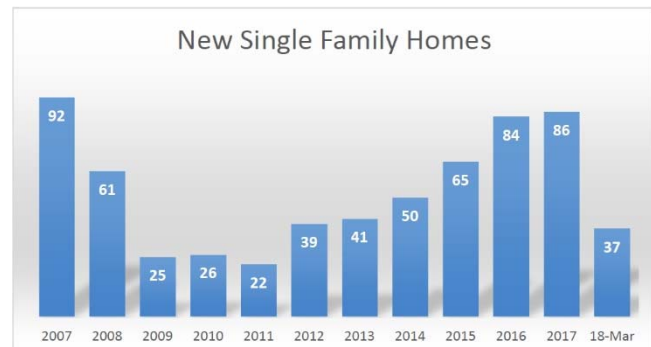
The fortunate thing about a thriving economy is there is a corresponding increase in revenue. The caution is that the Town revenue sources are somewhat tenuous. There has been a great boom in revenue associated with construction sales tax and building permits. Revenue from Building Permits is up 187% over last year. While we are expecting the construction industry to continue at this elevated level for FY19, we need to assume it will not last forever. Therefore, this focuses those dollars more towards one-time expenditures such as capital and debt/pension. Further, revenue from state shared sources is always insecure due to the nature of the legislature; however, State shared income tax jumped significantly moving the overall category up over 12%. Similarly, photo enforcement revenue can be considered tenuous due to the legislature's ongoing discussion regarding this policy. It is considered a recurring revenue, but the Town is very conservative in spending it. Conversely, sales and bed tax from hospitality is probably our most steady, recurring revenue source in the last few years. With the addition of so many hotel rooms in the past two years, those revenues are finally hitting the coffers. Again, we are cautious as hospitality is very sensitive to shifts in the economy.

Overall, operating revenue is expected to come in 12% higher than FY18.

Executive Table 5 - OPERATING REVENUE				
Operating Revenue by Source	Budget 2018/19*	Budget 2017/18	Change #	Change %
Sales tax	\$ 15,513,312	\$ 14,295,000	\$ 1,218,312	8.5%
Bed tax	4,274,600	3,984,000	290,600	7.3%
Court fines - count	1,921,120	1,762,000	159,120	9.0%
State shared revenues (3)	4,104,721	3,640,000	464,721	12.8%
Building permits	2,399,100	835,000	1,564,100	187.3%
Total Major revenue	28,212,853	24,516,000	3,696,853	15.1%
All other non-major revenue sources	4,631,330	4,811,000	(179,670)	-3.7%
Total operating revenue	32,844,183	29,327,000	3,517,183	12.0%
* Adopted funding levels for the 2018/19 budget year				

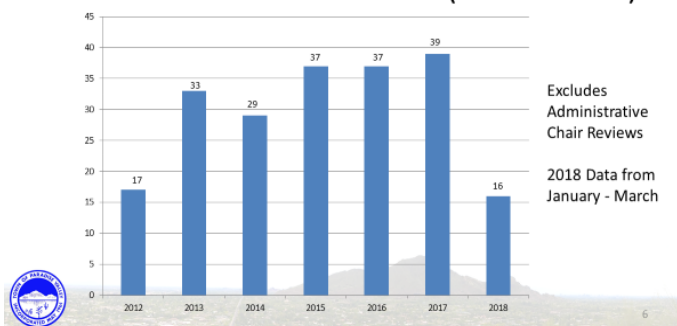
The Changing Workload

As noted above, there are three main factors driving the increase in workload—economy, policy changes, and administrative mandates for improved service levels. First the economy. The Arizona, Phoenix Metro and Paradise Valley economy are all at a very strong mark going into FY19. Our building permits are comparable to peak levels of 2007 in terms of number and value with a third less staff to manage them. The redevelopment of Mountain Shadows both from a resort stand-point and from the resulting platting of new residential lots is leading the way. There is also strong demand for infill lots and scrape-off lots around town. Remodels and additions continue to thrive as well. On the horizon are the building permits and overall development activity of the Ritz Carlton campus. Shea homes in Area B have already started and has two models and four private homes under construction. Permits in this development are expected to jump once the models are completed and the full sales activities are activated. Likewise, Five Star has three simultaneous developments it controls and are expected to be in full construction mode in FY19. While the Ritz Development Agreement calls for a full-time on-site inspector that Five Star will pay for, the Town is retaining control over all plans examinations. This again will increase workload in Community Development.



Likewise, we are seeing an increase in Hillside Building permit activity, particularly for 2018. This is a combination of a strong economy and a pending policy change. The proposed changes to the Hillside Code that are recommended by the Planning Commission have corresponded with a spike in applications

Hillside Committee Reviews (2012 – 2018)



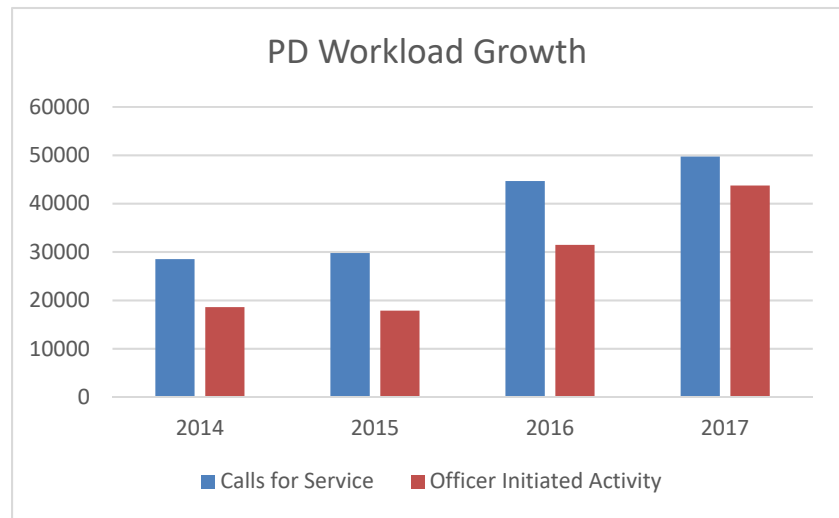
this spring. Each Hillside application first requires a review by the Engineering Department. This has increased workload to the point that the Town Engineer is spending approximately 75% of his time on Hillside building applications. Further, within those proposed Hillside code changes, there is a change in what the Chair of the Hillside Building Committee can review and approve. With this change, using previous years data, a 36% increase in the number of applications that will need to go to the full HBC for review

is anticipated. This is neither good nor bad, but it is a policy change that is increasing workload. As such, the Final Budget adds a second Engineering Technician to help with Hillside work. The proposed Hillside Safety Improvement code and process changes also results in additional workload. Staff is uncertain to what degree but has budgeted some additional dollar for general professional services.

Another policy change that is increasing workload comes from the State Legislature. Senate Bill 1110 which was signed by the Governor April 3, requires the law enforcement agency sign-off on every photo enforcement citation. Up until this point, the law allowed a duly authorized agent to sign-off. This service was then included in our contract with Redflex, the photo enforcement service provider. With the prohibition of that method, this represents a significant workload increase for the Police Department. In an effort to avoid additional pension and health insurance expenses, the Town has budgeted the hiring of 4 part-time officers to review and authorize these citations. The exact work load will need to be examined next fiscal year and adjusted accordingly.

Staying with work load changes due to policy changes, in the Municipal Court, there has been a steady increase in workload due to the increase in the number of photo enforcement cameras. This was a recommendation of the 2013 Public Safety Task Force. It was implemented in October of 2015 when seven new cameras came online. In FY16/17 five part-time employees were authorized to deal with the workload spike. Part-time temporary employees were used due to the uncertainty of just how large and sustained the increase would be. In FY17/18 we transitioned two of the part-time court employees into one full time employee and kept the three remaining part time workers. After two full years, the full impact of the new cameras is known. Driving patterns have stabilized as people become more aware of the cameras. As such, the Final Budget eliminated the three part-time positions and replacing them with a single full-time court position. Additionally, the Final Budget uses the Court Improvement Fund to purchase new cubicles to house the higher number of regular employees.

Also related to a Public Safety Task Force recommendation, but also a factor of new leadership, has been an increase in workload in the Town's Police Department. The Task Force set the service level expectation that is right for this community and the Chief and Police Department have been delivering that level and more. At the time of the Task Force recommendation, the resources envisioned included four new patrol officers, a community resource officer, millions in technology and taking advantage of existing capacity. These all helped deliver today's exceptional service level, but the back-office help to support those more visible front-line services has become overwhelmed. Dispatch runs on a minimum staffing of four full time dispatchers and a manager to cover a 24/7/365 operation. Previous budget years authorized some part-time labor to help fill-in holes. Over the past four years, calls for service have increased 75% [see chart]. This can be attributed to several factors. First, self-initiated activity by the patrol officers has increased dramatically as we moved to a beat system and set



expectations for citizen engagement. Second, the installation of the License Plate Reading (LPR) technology has added approximately 37,000 hits per year that the dispatchers must review and verify for accuracy before any action is taken. Lastly, false alarms have remained elevated due to a policy decision not to enforce the false alarm financial penalties during the recession (this policy has since been lifted by Council going into FY19). The Final Budget moves the Department to five full-time dispatchers, plus the manager plus part-time labor to fill holes and provide back-up during peak shifts. The Final Budget also provides two administrative positions for the office. First is a position to manage the alarm monitoring program and false alarms. The second codifies a position created last year called a Public Safety Analyst position. This position helps with the information technology (IT) operational elements of the Police Department. But further IT support is needed.

Council was supportive of a mid-year reorganization that added a full-time manager to IT. This new staffing level took until June 2018 to be realized, due to turnover, but a full-time supervisor with industry knowledge is making a notable difference. This is important as back in the Police Department, over 53 new technologies were implemented as a result of the Task Force recommendations. Most of these have been extremely helpful and are leading to lower crime rates, better detective work, and a stronger feeling of safety in this community as evidenced in the last citizen survey. Unfortunately, we do not have the

staff to support this level of technology. Currently, there are over 100 outstanding IT work orders for police technology. We have one IT person who spends nearly ¾ of his time just keeping the technology in the patrol cars operational. Council approved a very important upgrade to the Computer Automated Dispatch (CAD) system in the FY17/18 budget. Staff has been slow to implement that upgrade due to an incomplete GIS system upon which the CAD system operates. Further, Community Development and Engineering have growing GIS demands as we move records and historical data from paper and employees' heads into convenient accessible systems. As such, the Final Budget has a full-time GIS analyst to manage the data, develop layers, and assist with GIS software management.

Further, the increase in police calls for service have a ripple effect on the courts and the prosecutor. The budget already addresses a new Court Clerk, but it also provides more dollars for contracted public defender. The Budget further converts the Deputy Town Attorney from temporary contract status to a regular part-time position (0.5 FTE to 0.7 FTE).

All told, the Final Budget is converting 3 positions from temporary to regular (Court Clerk, Deputy Town Attorney, and Dispatcher), adding four part-time police officers to address photo radar citations (equivalent to 2 FTE), and then four regular fulltime positions (Engineering Technician, Public Safety Analyst, GIS Analyst, and Alarm Monitoring Coordinator). It is a notable change but affordable within the Town's revenue increases noted above. Any time personnel are added, there is always the concern that the Town is growing government. This, however, is not growing government. There are no new services offered. The Town has increased the level of service within those services it provides, but primarily this is a function of increased workload due to the economy, policy changes and higher expectations.

Capital Improvement Program (CIP)

The Final CIP Budget for FY19 is primarily focused upon streets. The construction of the Ritz Carlton means the streets on all sides are subject to improvement. The Town is managing the design and construction of these streets in coordination with the Ritz Carlton developer. In those cases where the Ritz has a financial responsibility for part or all of the road, they will remit those costs to the Town for its share of the design and construction. Therefore, the Town must show those total expenses within its Budget. These are captured in the Capital Improvement Program. There are essentially four (4) segments. Indian Bend from Mockingbird to the Town limits is budgeted at \$1,680,000. Lincoln Drive from Town limits to Mockingbird is estimated at \$2,700,800. Mockingbird south of Hummingbird is budgeted at \$2,550,000. Lastly, Mockingbird north of Hummingbird is budgeted at \$2,770,000.

Outside of the Ritz related projects, the four main CIP projects in FY19 are the Doubletree Road improvements, Lincoln Drive sidewalks, sewer maintenance, and the undergrounding of power lines in the SRP Keim district.

Total General Fund dollars committed for FY19 are approximately \$10.9 million. Of that, \$4.2 million is carryover from the previous year and \$6.7 million is new money. That \$6.7 million is consistent with our long-term financial planning model of approximately \$6-7 million a year dedicated for CIP projects.

Police Pension

The Final FY19 Budget takes another large step toward reducing our unfunded police pension liability. In October of 2016, Mayor and Town Council adopted a policy position to pay-off the unfunded liability associated with the police pension as quickly as reasonably possible. The goal was to eliminate this unfunded liability in three years. It will take likely part of a fourth year due to the reduction in the assumed rate of return on investments, the change of the mortality tables to reflect that people are living longer, and the repayment of obligations associated with lost reform litigation. All of these new costs are the result of actions at the State level. The Town has no control over these decision; yet, bears the full burden.

Despite this, each large payment made by the Town is saving the Town millions of dollars in future payments. In FY19, the second year of this plan, the Town will make its obligatory \$1.8 million payment, a \$5 million advance payment toward the unfunded liability, plus, if funds allow, another \$1 million payment at year end. This should bring the unfunded liability down to approximately 36% from its peak of over 72%.

Enterprise Funds

Sewer Fund – FY19 marks the third year of a five-year program to video all of the Town-owned sewer lines. The lines have not been inspected in at least 15 years. Periodic inspections are critical to stay ahead of infrastructure failure which can cause significant customer disruptions and large unanticipated expenses. FY19 is the first year where money (\$200,000) is programmed for possible maintenance projects. Nothing specific has been identified at this point, but the appropriation is made such that work can be done over the fiscal year if there are problems identified with any of the sewer lines. Consistent with Town procurement code, any expenditure over \$100,000 must go to Town Council for approval first. Therefore, if / when a project is scoped, it will come to Town Council for approval first.

Fire Service Fund – The Town of Paradise Valley contracts with the City of Phoenix to provide fire services. Therefore, the largest single expense with the Fire Service Fund is the contract with Phoenix. In FY19, the cost of this contract was reduced by 4%. This is due to the City of Phoenix decision to spread their public safety pension liability out over 30 years, versus the 25-year schedule that was in their previous budget. For the Final Budget, the rate is approximately \$100,000 less and came in at \$2.6 million. In 2017, the Council adopted a policy position to hold the fire rate constant and offset increases in costs with General Fund dollars. The General Fund transfer to the Fire Service Fund last year was \$50,000. Since the contract drops by the estimated 4%, this transfer will not be necessary.

Other Notable Expenditures

Outside of labor, capital, and pensions, there are several notable expenditures in the FY 19 Final Budget. These include:

- **LPR Maintenance** – The License Plate Readers, which have been a huge success in catching criminals and creating a digital fence around Paradise Valley, come with a large price tag. In FY19 that cost is \$126,000 in new expenses. The LPR maintenance contract for FY19, the last year in which the vendor will support the equipment, is \$60,000. Additionally, the LPR in the roundabout at Stanford and 40th Street has been hit by a large vehicle on three occasions. After the first time, which cost approximately \$50k to repair, the Public Works department placed a large rock near the LPR to offer protection. A large truck dragged the rock into the LPR, damaging it. Public Works then anchored the rock more firmly with concrete and rebar, however, a truck drove over the rock and struck the LPR again. A request for \$27,500, if approved, will move the camera within the traffic circle.
- **Increase in Photo Processing fees** – The Town pays a fee to the photo enforcement provider for each citation. With more cameras, there are more citations and thus a higher fee. The increase is anticipated to be approximately \$60,000 in FY19. This more accurately reflects actuals costs from the current year.
- **Replacement of Vehicles** – The Final Budget replaces 4 vehicles in the Police Department that have reached end of life. The total budget is \$212,000
- **Replacement of Body Cameras** – Body cameras is a fairly new technology, but one that has risen to become an essential tool in law enforcement. The Budget appropriates \$120,000 for replacement of cameras.
- **Video Surveillance in the Jail** – This was a request that was deferred from the FY18 budget. The Police Department maintains several holding cells. Operating such cells comes with significant liability. Increasing the surveillance such that prisoners can be continuously monitored while

police staff complete other work is crucial to an efficient and responsible operation. This request is for \$55,000.

- **Audio/Video and New Conference Table for Boardroom** – The central business mechanism for the Town Council is its semi-monthly meetings. Unfortunately, as volunteers, work and life sometimes take them away from Town Hall. Participating remotely has been a key tool for balancing these competing demands. This extends to all our other board, commissions and committees who conduct their meetings in the boardroom. The current audio and visual media has limited remote participation functionality. \$27,500 is budgeted to upgrade this equipment as well as replace the conference table.
- **Street Data Collection** – Maintenance of Town streets (a.k.a. the Pavement Preservation Program) follows best engineering practices. Each section of street is monitored and rated using a pavement condition index (PCI). To determine that PCI, every five years, the Town hires a third party to use a variety of equipment to survey and provide us with that data. FY19 marks the next iteration of that cycle. This one-time cost is \$65,000.
- **Hillside Experts** – Provided the pending operational change of having third party engineers review technical reports submitted on Hillside applications, the General Professional Service Line item in Engineering was increased by \$30,000. It will be re-evaluated in next fiscal year to determine how close that hit the mark compared to actual expenditures.
- **HR Expenses** – With a thriving economy comes a hotter labor market. After several years of relatively mild wage inflation, we are seeing more upward pressure. The FY19 market movement for the merit pool is equal to 4% which translates to a cost of \$440,000. Health insurance, due to the strength of the new trust PV joined last year, saw flat numbers for FY19.

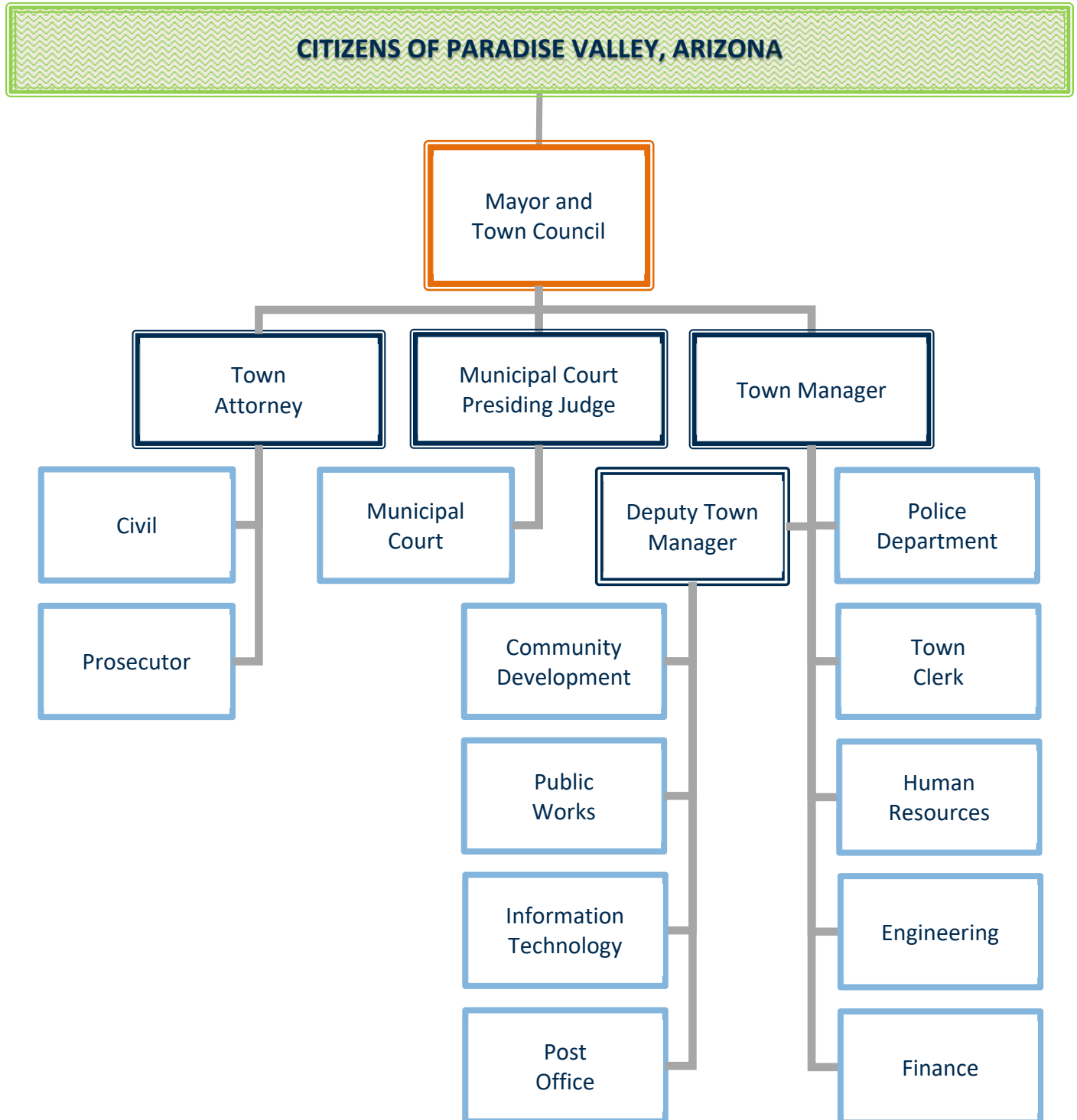
Conclusion

The Final Budget for FY19 balances many competing but important resource requests while remaining cautious about revenue streams. The Final Budget projects a year-end reserve equal to 90% of operating expenses while reducing liabilities by over 28%. The Council process of multiple study sessions, hearings and actions ensure these appropriations have been thoroughly vetted. Cooperatively, the Final Budget advances valuable services and improves capital assets while preserving fiscal stability.

Respectfully submitted,

Kevin Burke
Town Manager

ORGANIZATION CHART



Effective: September 14, 2017

BOARDS & COMMISSIONS

LAND USE / REGULATORY

Board of
Adjustment

Planning
Commission

Hillside Building
Review Committee

ADMINISTRATIVE

Mummy Mountain
Preserve Trust

Municipal Property
Corporation Board

Personnel Appeals
Board

Public Safety
Personnel
Retirement Board

ADVISORY COMMITTEES

Arts

Historical

Advisory
Committee on
Public Safety

AD HOC COMMITTEES

HOA Forum

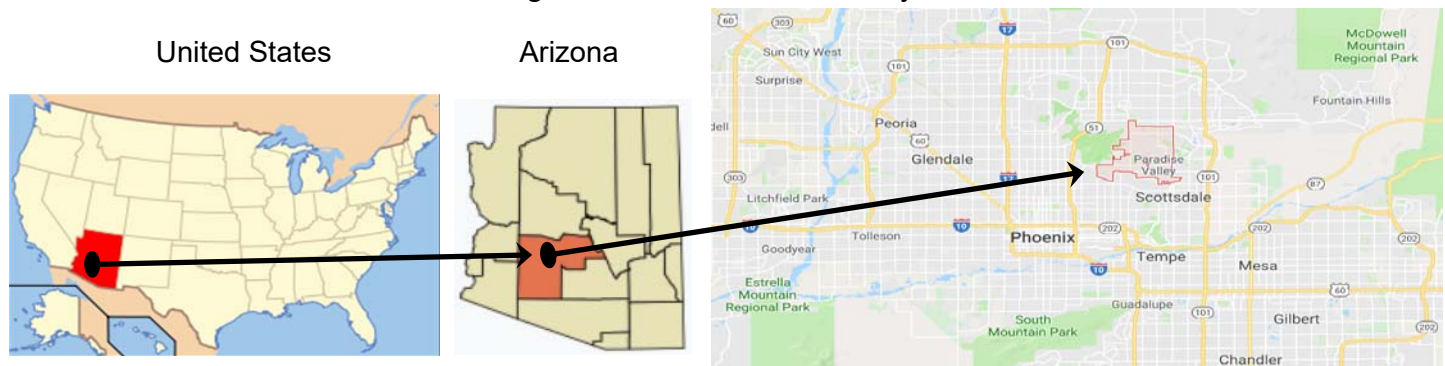
Sustainability
Task Force

Vintage Car Show
Co-chairs (2)

TOWN PROFILE

► OVERVIEW:

Named by **Time Magazine** as the “*Best Place to Live*” in Arizona, the Town of Paradise Valley is a small suburb nestled in the mountains between Scottsdale and Phoenix. The Town is entirely residential and resorts. Paradise Valley’s highly education residents are actively engaged in the community and its local government; the Town has more volunteer positions than employees, including its all-volunteer Council and Municipal Court judges. Paradise Valley is home to many world-class destinations: Hyatt ANdAZ, JW Marriott Camelback Inn, El Chorro Lodge, Doubletree Paradise Valley, Hermosa Inn, Omni Montelucia, Mountain Shadows Resort, Scottsdale Plaza, Sanctuary of Camelback, Smoke Tree, and coming soon, the Paradise Valley Ritz Carlton.



► BASIC FACTS:

Date of incorporation: May 24, 1961

Elevation: 1,165 miles

Population: 14,400 (2017 estimates)

Land area: 16.5 Square miles

Total households: 6,113 single family homes; 4,860 owner-occupied; 72.8% > \$1 million value

Median household income: \$134,097 (2010-14 American Community Survey)

Age & gender (2010 Census):

Male: 6,370;

Female: 6,450

Under 18: 2,873;

18 and over: 9,947

Education: HS Graduate or higher = 97.5%; Bachelors or higher = 69.8%; Graduate or higher = 34.5%.

The Town is predominantly zoned single-family housing but is also home to 9 resorts, 15 places of worship, 1

1 public and private schools, 3 golf courses, and 4 medical centers.

Climate	Paradise Valley, AZ
Rainfall (inches)	7.3
Snowfall	0
Sunny Days	294
Average High Temp in July	104 F
Average Low in January	35.9

TOWN PROFILE

► HISTORY:

During the late 1800s, cattle grazed in the area surrounded by the McDowell Mountains to the east and Camelback Mountain to the south. In the 1880s, the Rio Verde Canal Company turned this open grazing area into irrigated farmland. In 1889, the Rio Verde Canal Company sent three surveyors to this area who were so taken by the beauty and tranquility of the desert landscape that they named this area Paradise Valley.

Settlement in Paradise Valley did not begin in earnest until post World War II. Paradise Valley, which is in Maricopa County, was a rural residential area with few commercial entities. Though the homes were modest in size and style, they were on large parcels of land, usually one to five acres.

In the late 1950s, Phoenix and Scottsdale were looking to expand their respective boundaries. Residents who lived in Paradise Valley area feared that they would lose the rural lifestyle they had become accustomed to and would soon be swallowed up by Phoenix or Scottsdale, and eventually subdivisions, shopping centers, new zoning laws and property taxes would be a commonality. These concerned residents formed a “Citizens Committee for the Incorporation of the Town of Paradise Valley, Arizona”, who set out with petitions urging residents to join them in their attempt to incorporate Paradise Valley. The residents’ main goals were to keep zoning to a one house per acre minimum; to keep the area entirely residential; and to keep government regulations to a minimum. In April 1961, the Citizens Committee for Incorporation presented their petition to the Maricopa County Board of Supervisors. On May 24, 1961, incorporation was granted and the Town of Paradise Valley was established.

With a population of approximately 2,000, the first Town Council was formed. During the early years of the Town’s history, the Council spent much of its time establishing the Planning and Zoning Commission, the Board of Adjustment, redefining zoning ordinances, and annexing property. By 1968, the boundaries of the Town of Paradise Valley were pretty well set, with only a few scattered county islands and a handful of neighborhoods adjacent to the Town boundaries that would eventually be annexed. In 2000, with a population over 13,000, only two county islands remain – the community of Clearwater Hills west of Tatum Boulevard and the Franciscan Center on Lincoln Drive.

Throughout the Town’s 50-plus-year history, the residents have strived to preserve the Town’s original mission – *to maintain a residential community in a quiet and country-like setting with little government intervention.*



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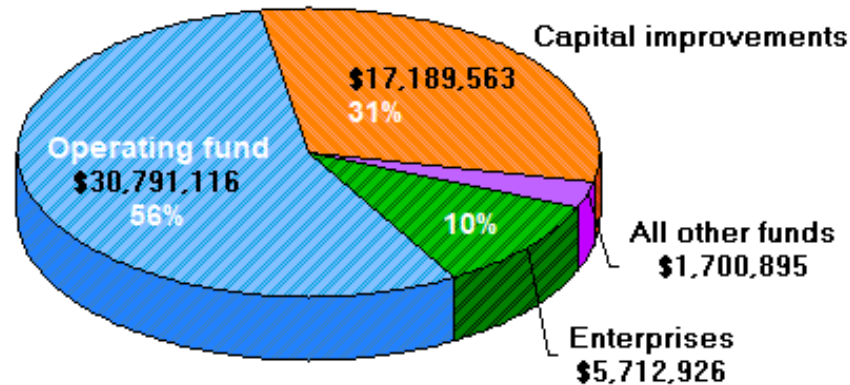
OVERVIEW

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EXECUTIVE SUMMARY

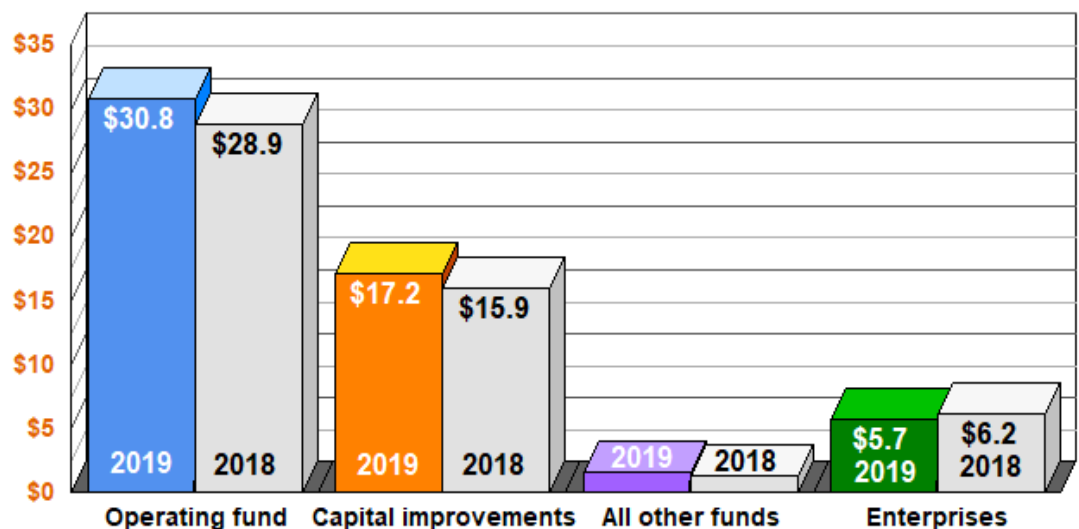
TOTAL BUDGET

The 2018/19 recommended budget is balanced and totals **\$55,394,500** and includes an authorized workforce of **103 full-time equivalents**. This is a **\$2,994,200 (6%) increase** from last fiscal year's budget. The "**operating fund**", accounts for **\$30,791,116**, which is **56%** of the total recommended budget. These amounts include direct expenditures & contingencies; they do not include transfers out.



The graph to the right (in millions) and chart below illustrate a two-year budget comparison by fund type.

The **operating fund** uses increased from \$28.9M to **\$30.8M**, and CIP increased from \$15.9M to \$17.2M



Executive Table 1 - TOTAL BUDGET

All Town Funds by Fund Type	Budget 2018/19*	Budget 2017/18	Change \$	Change %
Operating fund	\$30,791,116	\$28,868,400	\$ 1,922,716	7%
Capital projects	17,189,563	15,946,400	1,243,163	8%
All other governmental funds	1,700,895	1,366,100	334,795	25%
Enterprise funds	5,712,926	6,219,400	(506,474)	-8%
Total Budget	\$55,394,500	\$52,400,300	\$ 2,994,200	6%

* Adopted funding levels for the 2018/19 budget year

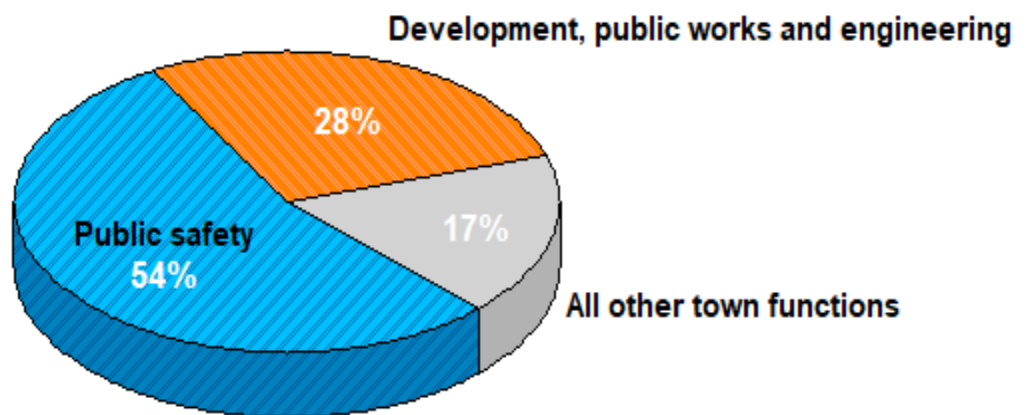
EXECUTIVE SUMMARY

STAFFING

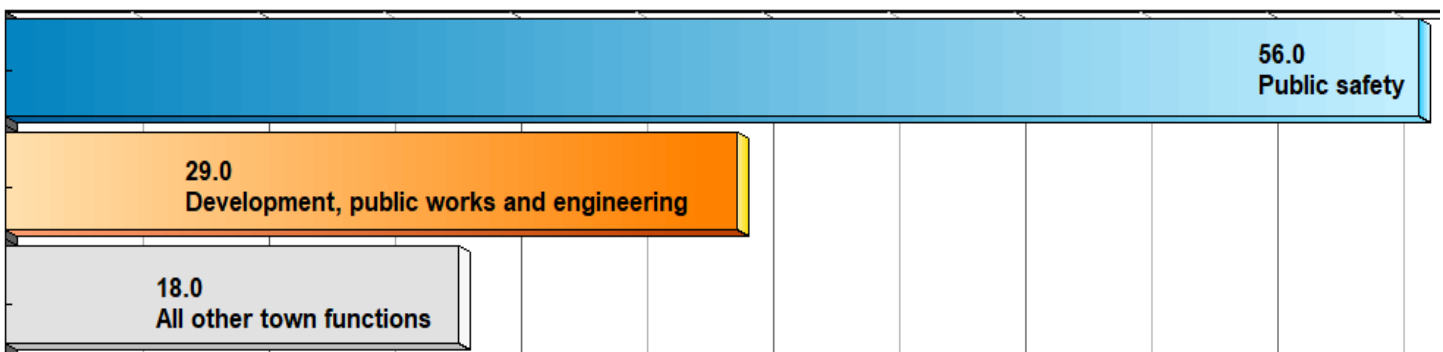
Staffing levels are measured in *full-time equivalents* (“FTEs”). The total workforce in the recommended budget is **102.7 FTEs**, which is an increase of **8.7 FTEs (9%)**. The chart below displays the Town’s FTEs by operating function.

Executive Table 2 - TOTAL STAFFING (in full time equivalents)				
All Town FTEs by Function	Budget 2018/19*	Budget 2017/18	Change #	Change %
Public safety	56.0	50.0	6.0	12%
Development, public works and engineering	29.0	28.0	1.0	4%
All other town functions	18.0	16.0	2.0	12%
Total Staffing levels	103.0	94.0	9.0	10%
* Adopted funding levels for the 2018/19 budget year				

Public safety’s workforce of 56.0 FTEs is **54.5%** of the total FTEs for the Town. **Development, public works and engineering** has 29.0 FTEs, which is **28.2%**; and all other town functions account for the remaining **17.2%**, which is 17.7 FTEs.



The graphs to the right and below illustrate the percentage (%) of and total FTEs by function.



EXECUTIVE SUMMARY

EXPENDITURE LIMITATION

The Town's statutory Expenditure Limitation for fiscal year 2018/19 is **\$40,907,550**. The recommended budget is **under** the Expenditure Limitation by **\$22,384**. The table below shows the calculation based on the recommended budget.

The State of Arizona imposes a constitutional and statutory limitation on the annual expenditures on all municipalities. This limit is annually set by the Economic Estimates Commission ("EEC") based on population growth and inflation.

The limit can be adjusted by the local municipality through a note of its electors. In 2016, the Town of Paradise valley approved a base adjustment.

To ensure the Town remains in compliance with this limitation, the Town monitors it's spending before, during and at the close of each fiscal year.

Executive Table 3 - EXPENDITURE LIMITATION	
All Town Funs by Classification	Budget 2018/19*
Total budgeted expenditures	\$ 55,394,500
Net reconcilable items (+/-)	(356,492)
Estimated exclusions	(2,142,083)
Budget as adjusted	52,895,925
* Carry forward available	(10,440,576)
* GF: Assigned to future years	(1,570,183)
Budget subject to Exp. Limit	40,885,166
EEC limit for Paradise Valley	40,907,550
Amount under Exp. Limit	\$ 22,384
* Calculation bases on all factors within the Adopted budget	

EXECUTIVE SUMMARY

OPERATING SOURCES AND USES OVERVIEW

This section focuses on the **operating fund** which is a combination of the general fund and HURF. The operating fund is commonly the most important to residents as it provides basic services such as Public Safety, Development and the Municipal Court.

The 2018/19 recommended budget for the **operating fund** is balanced and totals **\$37,895,879**. This is a **\$339,186 (1%) increase** from last fiscal year's budget. When looking at the single fund level, **total uses** includes expenditures, contingencies **and transfers out to other funds**. This differs from the "TOTAL BUDGET" page where "transfers out" are not presented, because that is looking from Town-wide perspective.

Comparing budget-to-budget, **major revenues** are anticipated to increase by \$3,696,853 (15%) and non-major revenues are expected to decrease by \$179,670 (-4%).

To ensure a structurally sound budget, the planned use of operating fund balance is to pay for the difference of *total sources* and *total uses* in the amount of \$5,051,696 which is attributed to *one-time spending*, **not** recurring year-to-year expenditures. The planned use of fund balance is significantly less than last year's budget-to-budget comparison and is further discussed in the *Financial Forecast* at the end of this *Executive Summary*.

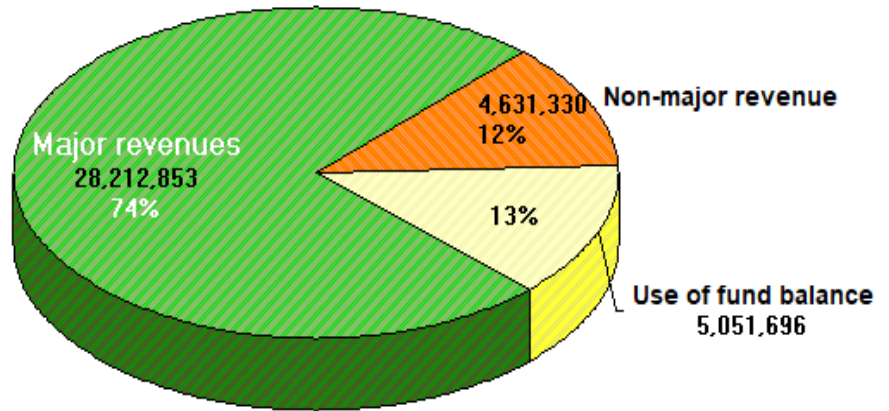
The table below shows the Town's **total sources** and **total uses**.

Executive Table 4 - OPERATING SOURCES AND USES				
Operating fund Total Sources & Uses	Budget 2018/19*	Budget 2017/18	Change \$	Change %
Sources:				
Major revenue sources	\$28,212,853	\$24,516,000	\$3,696,853	15%
Non-major revenue sources	4,631,330	4,811,000	(179,670)	-4%
Planned use of fund balance	5,051,696	8,229,693	(3,177,997)	-39%
Total sources	\$37,895,879	\$37,556,693	\$ 339,186	1%
Uses:				
Personnel	\$12,502,185	\$11,528,351	\$ 973,834	8%
Supplies and services	8,957,264	10,299,100	(1,341,836)	-13%
Capital improvement plan	6,314,787	8,350,121	(2,035,334)	-24%
PSPRS additional payments	6,000,000	6,000,000	-	0%
All other uses	4,121,643	1,379,121	2,742,522	199%
Total uses	\$37,895,879	\$37,556,693	\$ 339,186	1%
* Adopted funding levels for the 2018/19 budget year				

EXECUTIVE SUMMARY

OPERATING SOURCES AND USES OVERVIEW

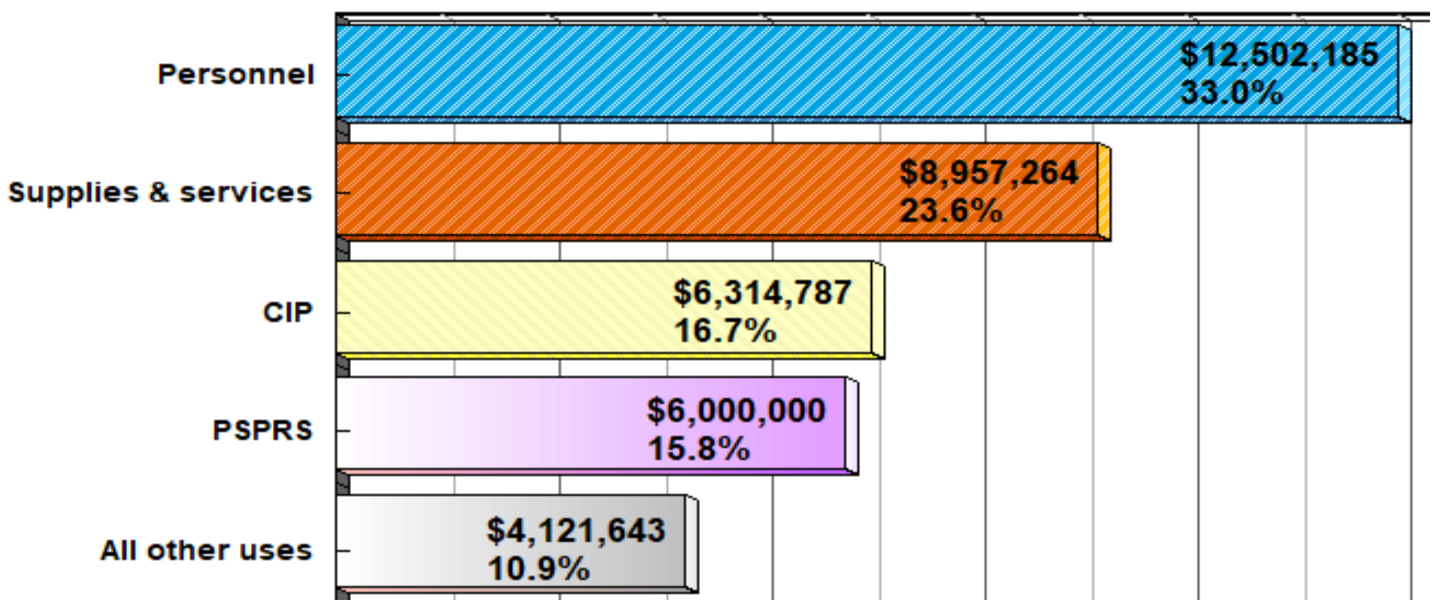
Major revenues are the individual revenue sources that account for the approximately 74% of “total sources”. **Planned use of fund balance** is the Town’s conscious use of its “savings account” for one-time uses that are in the best interest in the Town. The graph to the right illustrates total sources, as estimated for this recommended budget.



Categories for **operating uses** for the recommended budget includes Personnel, Supplies & services, Capital Improvement Program and reducing the Town’s liability in the Public Safety Public Retirement System (“PSPRS”). More detail breakdowns of expenditures are available progressively through this budget document.

Recommended **personnel expenditures** are \$12,502,185, which is 33% of total **operating uses**. Reducing the liability to **PSPRS** is recommended at \$6,000,000; which is 15.8% of total **operating uses** and is larger than the recommendation for the **planned use of fund balance** of \$4.9 million.

The two graphs below illustrate the Town’s uses, by type in amounts and as a % of the total.

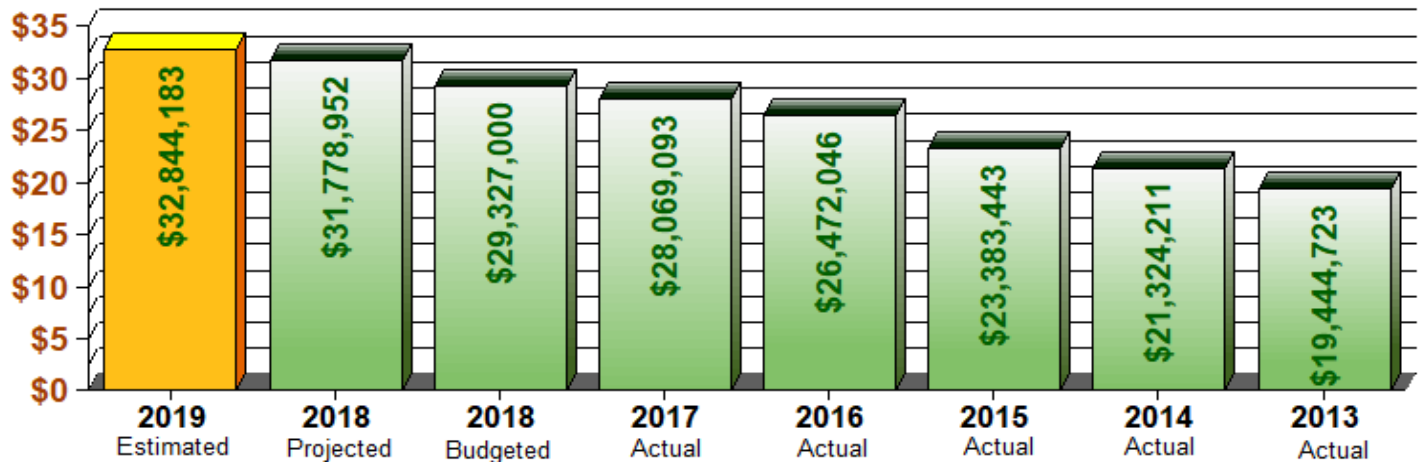


EXECUTIVE SUMMARY

OPERATING REVENUE

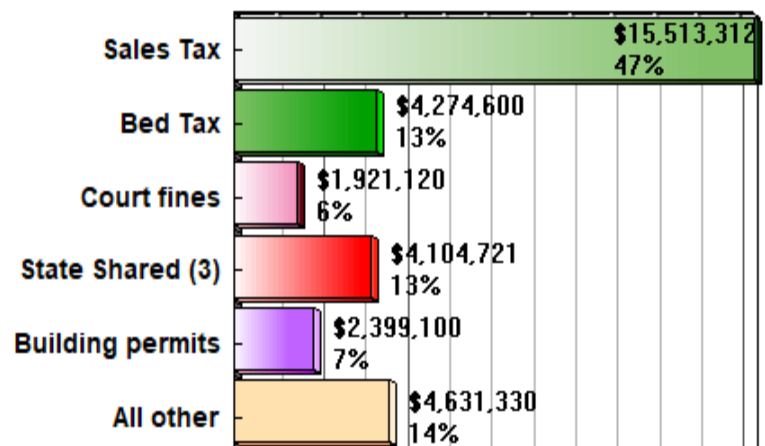
OPERATING REVENUES

(in millions)



Total **operating revenues** are estimated to be \$32,844,183 in the 2018/19 recommended budget. Local sales tax is by far the leading revenue as it is estimated to account for \$15,513,312, which is 47% of total revenue. Revenues do not include the planned use of fund balance.

The graph to the right shows the share of each revenue source. Further information, including historical trends for each revenue source can be found in the Revenue section of this document.



Executive Table 5 - OPERATING REVENUE

Operating Revenue by Source	Budget 2018/19*	Budget 2017/18	Change #	Change %
Sales tax	\$ 15,513,312	\$ 14,295,000	\$ 1,218,312	8.5%
Bed tax	4,274,600	3,984,000	290,600	7.3%
Court fines - count	1,921,120	1,762,000	159,120	9.0%
State shared revenues (3)	4,104,721	3,640,000	464,721	12.8%
Building permits	2,399,100	835,000	1,564,100	187.3%
Total Major revenue	28,212,853	24,516,000	3,696,853	15.1%
All other non-major revenue sources	4,631,330	4,811,000	(179,670)	-3.7%
Total operating revenue	32,844,183	29,327,000	3,517,183	12.0%

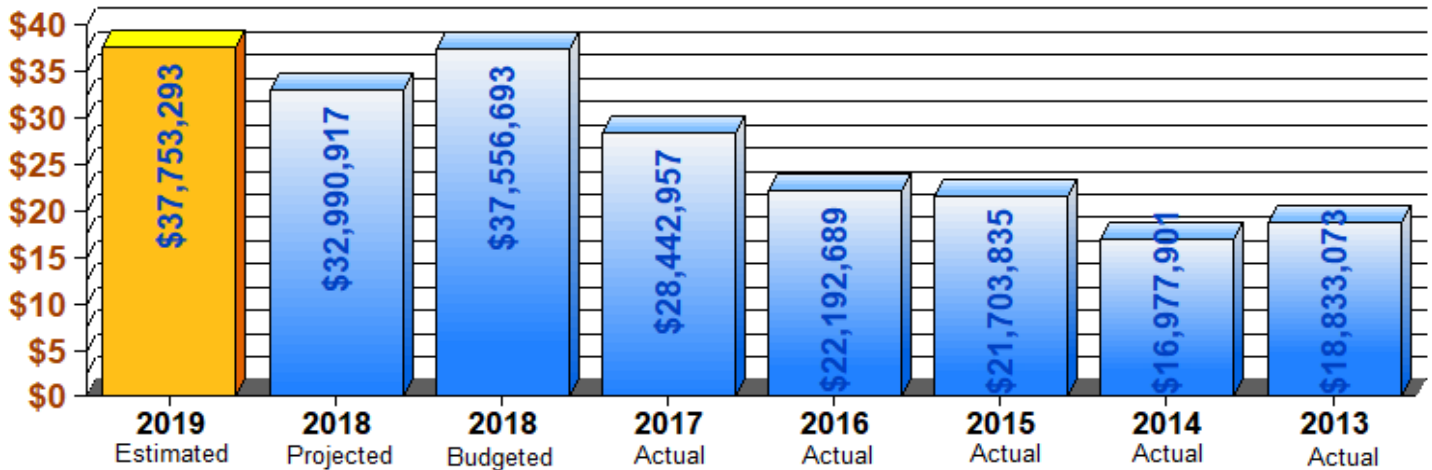
* Adopted funding levels for the 2018/19 budget year

EXECUTIVE SUMMARY

OPERATING USES

OPERATING USES

(in millions)



For this section, categories of uses include direct expenditures that are further detailed in the “Departments, Divisions, and Enterprise” section; and Transfer out to other funds and Contingencies & assignments (set-asides) are further detailed in the “Summary” Section.

Direct expenditures and transfers out decreased by \$391,302 (-1.8%) and \$1,583,530 (-18.2%), respectively. The increase of \$2,314,018 in Contingencies & assignments is directly tied in support of the Town’s strategic financial planning as outlined in the Financial Forecast (Exhibit A1)

Executive Table 6 - OPERATING USES				
Operating Uses by Category	Budget 2018/19*	Budget 2017/18	Change #	Change %
Personnel	\$ 12,502,185	\$ 11,528,351	\$ 973,834	8.4%
Supplies and services	8,957,264	10,299,100	(1,341,836)	-13.0%
Capital outlay	382,000	405,300	(23,300)	-5.7%
Total direct expenditures	21,841,449	22,232,751	(391,302)	-1.8%
Debt service	789,976	288,172	501,804	174.1%
Capital improvement plan	6,314,787	8,350,121	(2,035,334)	-24.4%
Other funds	-	50,000	(50,000)	-100.0%
Total transfer out to other funds for	7,104,763	8,688,293	(1,583,530)	-18.2%
Specific use contingency	6,495,000	5,291,549	1,203,451	22.7%
General use contingency	1,025,367	1,344,100	(318,733)	-23.7%
Assigned for future years	1,429,300	-	1,429,300	n/a
Total contingencies & assignments	8,949,667	6,635,649	2,314,018	34.9%
Total Operating Uses	\$ 37,895,879	\$ 37,556,693	\$ 339,186	0.9%

* Adopted funding levels for the 2018/19 budget year

EXECUTIVE SUMMARY

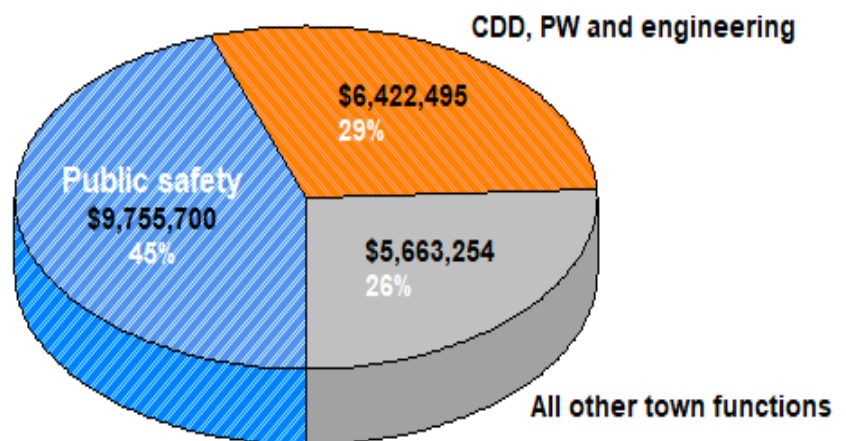
OPERATING DIRECT EXPENDITURES

Operating expenditures are also presented by department or functional unit. Operating direct expenditures do not include contingencies or transfer out to other funds. To keep this discussion at a high level, direct expenditures have been segregated into three units: (1) Public Safety, (2) Development, Public Works and Engineering, and (3) all other town functions. The table below and graph to the right show the recommended budget by these functions.

Public Safety accounts for the largest portion of the *operating direct expenditures* with \$9,755,700. This is an increase of \$623,934 (7%) from last fiscal year and is 45% of total operating expenditures.

Development, Public Works and Engineering decreased by \$1,307,573 (-17%) and is 29% of the total operating expenditures.

All other town functions increased by \$292,337 (5%) and is 26% of the total.



Executive Table 7 - OPERATING DIRECT EXPENDITURES

Operating direct expenditures by Function	Budget 2018/19*	Budget 2017/18	Change \$	Change %
Public safety	\$ 9,755,700	\$ 9,131,766	\$ 623,934	7%
Development, public works and engineering	6,422,495	7,730,068	(1,307,573)	-17%
All other town functions	5,663,254	5,370,917	292,337	5%
Total operating direct expenditures	\$21,841,449	\$22,232,751	\$ (391,302)	-2%

* Adopted funding levels for the 2018/19 budget year

A full listing of all Town departments can be found in the “*Summary Section*” of this document.

All Town departments have an individual section in the “*Departments, Divisions, and Enterprises*” Section of this document.

EXECUTIVE SUMMARY

PUBLIC SAFETY RETIREMENT

Town police employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System ("PSPRS").

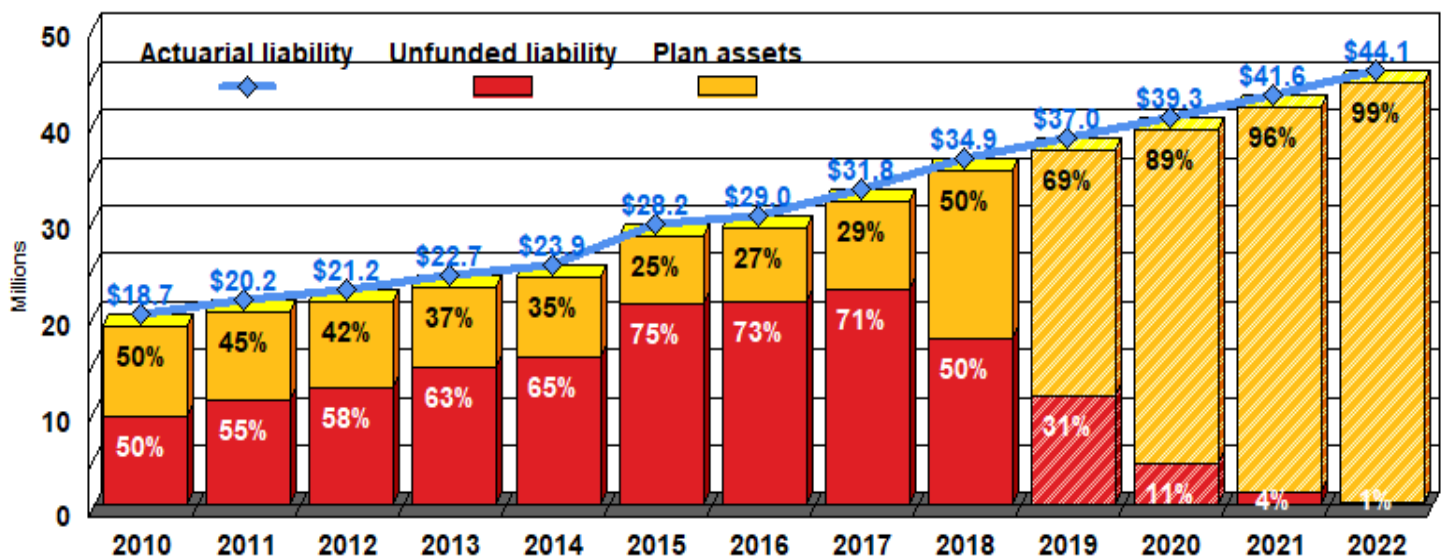
The Town's goal, as established by Resolution No. 2016-19, is to reduce the unfunded liability as expediently as feasible. The two key factors are: 1) available resources and 2) expenditure limitation capacity. Though there may be cash available to use, the Town's expenditure limitation would limit the Town's authority to spend.

Using the most recent actuarial assertions as described in "[actuarial liability](#)" below; the graph below illustrates if the Town pays the Contribution Rate and an additional \$6,000,000 in FY2019; \$6,000,000 in FY2020 and \$1,780,000 in FY 2021 the **unfunded liability** would be nominal.

The payment plan and target date on FY2022 is subject to change with deviations from these assertions. The more significant the deviation, the more significant the shift in the target timeline.

ACTUARIAL LIABILITY: The actuarial (total pension) liability is determined by an actuarial valuation at the end of fiscal years ending June 30 and recognizes the current total obligation with the PSPRS. The most recent valuation was for June 30, 2017 and included assumptions such as, but not limited to:

- ▶ Discount rate 7.40%;
- ▶ Wage inflation 3.50%;
- ▶ Price inflation 2.50%;
- ▶ Indexes for: Mortality, withdrawals, discharges, and disability; and
- ▶ Litigation and changes in legislation (including Hall/Parker settlement).



Further information regarding the PSPRS can be found in the [Public Safety Pension](#) budget in the "Departments, Divisions, and Enterprises" Section of this document.

EXECUTIVE SUMMARY

FINANCIAL FORECAST

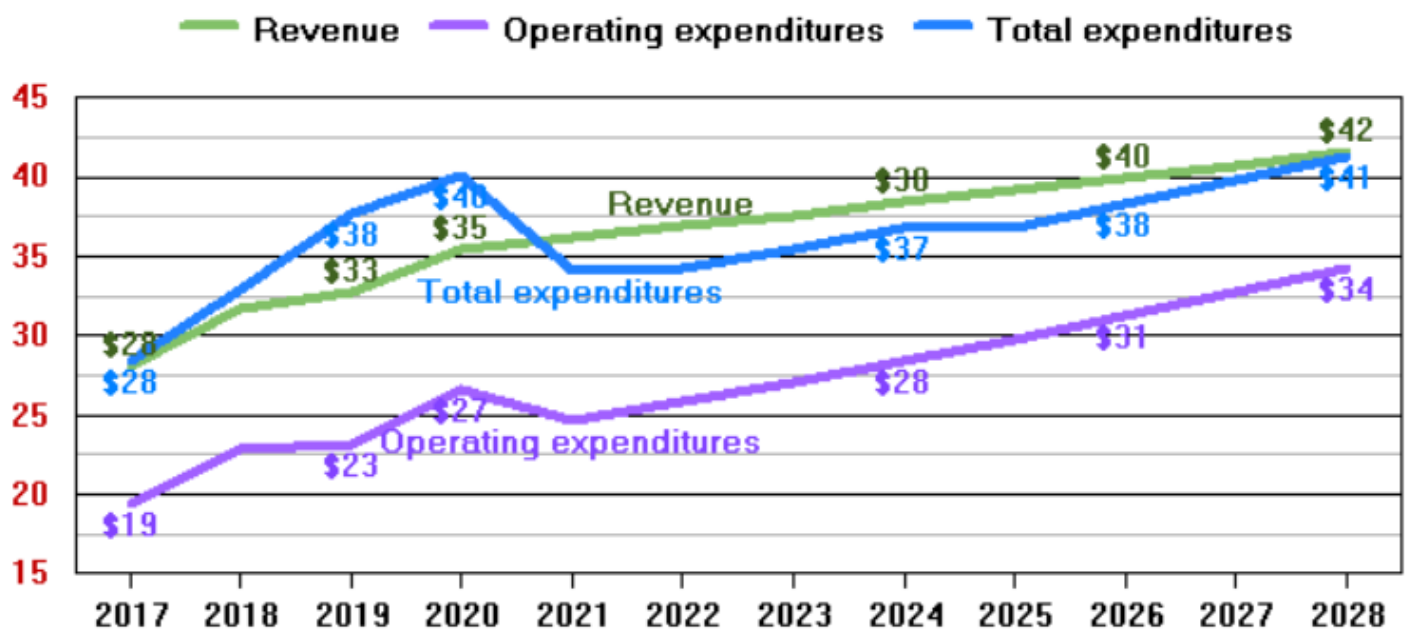
The Financial Forecast is instrumental in navigating the road map to maintain financial stability. The forecast is fluid and intended as a guide to keep on track to meet the Town's strategic goals. It is based on current and anticipated trends and reasonable assertions based on current data. Like a weather forecast (excluding desert summers), a financial forecast is adjusted over time as data materializes.

The **Revenue line** below includes all major and non-major revenue. The trend uses a flat growth rate of 2% annually from 2020-2028 (net one-time revenues); with an additional \$1.9 million from new and remodeled resort sales tax which is anticipated in 2020 based on a revenue per square foot model.

The **Operating expenditures line** represents the base expenditures that are expected to recur each year for the general fund, HURF and spendable contingency; and is under the estimated Expenditure Limitation. The trend uses a growth rate of 3% from 2020-2021 and higher at 5% from 2022-2028; with an additional \$3,000,000 in 2020 for planned street improvements on Lincoln.

Total expenditures are all foreseeable expenditures at the date of the Forecast. This includes CIP, Debt Service, assignments to Facilities and Fleet life cycles, Tourism and other liabilities such as PSPRS. CIP is forecast as \$5,000,000 in 2020-2021 and \$6,000,000 annual from 2022-2028; Debt service is using the current debt repayment schedule with no early pay off. PSPRS is an additional \$6,000,000 through 2020 and final pay out in 2021. Fleet repair and replacement is \$494,500 annually; facilities repair and replacement varies from \$96,000 to \$270,500 through 2028, and tourism 40.9% of the net of current years less 2-years prior bed tax collected.

If the **total expenditures line** is over the **revenue line**, then the Town is using fund balance; like in FY2017-2020. If the **revenue line** is over the **total expenditures line**, then the town is accruing fund balance that is carried for future years like FY2021-2028. If the **operating expenditure line** is over the **revenue line**, then the Town would be facing a structural deficit.



EXECUTIVE SUMMARY

FINANCIAL FORECAST

Fund balance is the cumulative difference of revenue and expenditures carried forward to the next fiscal year. The line graph below shows the **fund balance amount** with a number indicating the percentage (%) of **fund balance** compared to the next year's forecasted operating expenditures.

Remaining liability is the amount the Town still owes on liabilities that are significant to cash flow. This includes debt issued in 2016; and payments to PSPRS.

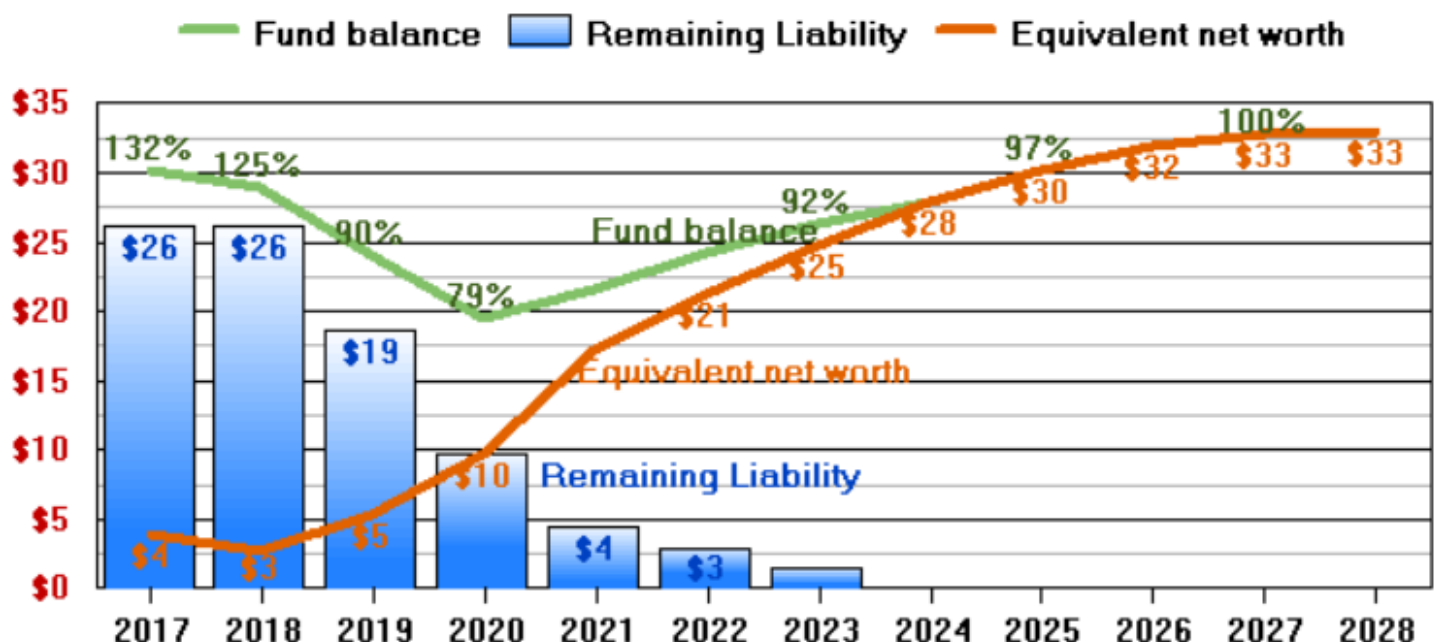
Equivalent net worth is **Fund balance** minus **remaining liability**.

Looking at the graph on this page alone, may seem alarming with the dip in **fund balance** through 2020. But when viewing the graph on this page with the one on the previous page, it can be seen that the dip in **fund balance** is not from **operating expenditures** or lagging **revenues** but spending in other areas. Those areas are in an effort to reduce the Town's **remaining liability** in PSPRS.

With the Town using **fund balance** to accelerate the reduction of the town's **remaining liability**, the Town's **equivalent net worth** increases. In 2017, the Town's **fund balance** was \$30M, but its **equivalent net worth** was \$4M. On this plan, the Town will reduce **fund balance** to \$20M (79%) in 2020, but its **equivalent net worth** increases to \$10M and having only \$10M **remaining liability**.

Per policy, *if the Council approves the use of **fund balance** below 90% of the next year's **operating expenditures**, they will identify the time period over which it is replenished.* Its in 2024 that the town's **remaining liability** can be eliminated which results in **fund balance** and **equivalent net worth** being the same at \$28M and 97-100% of the next years' **operating expenditures** costs by 2025.

Paying this now will save more money on interest than the Town would earn. Paying more than shown below would need to be offset by other Town departments, programs or CIP to remain under the Expenditure Limitation. But, this is a fluid plan and can be adjusted over time as more data materializes.



FINANCIAL FORECAST

OPERATING FUNDS (General & HURF)

SOURCES	Actual 2017	Budget 2018	Projected 2018	Estimated 2019
Major revenue	\$ 23,593,356	\$ 24,516,000	\$ 27,244,839	\$ 28,212,853
Non-major revenue	4,471,289	4,218,000	4,534,113	4,631,330
Transfer in				
TOTAL SOURCES	\$ 28,064,645	\$ 28,734,000	\$ 31,778,952	\$ 32,844,183

USES	Actual 2017	Budget 2018	Projected 2018	Adopted 2019
Operating expenditures				
General fund	\$ 16,676,511	\$ 17,493,557	\$ 17,512,191	\$ 18,715,695
HURF	2,787,262	4,739,194	4,668,100	3,125,754
Use of general contingency	-	635,649	672,333	1,520,367
PSPRS unfunded liability				
Baseline planned	-	1,000,000	1,000,000	1,000,000
Additional (pending capacity)	5,000,000	5,000,000	450,000	5,000,000
Repair and replacements:				
Assigned to fleet	-	-	-	282,500
Assigned to facilities	-	-	-	912,500
Other Uses				
Debt service	99,323	288,172	288,172	789,976
Capital improvement plan	3,177,639	8,350,121	8,350,121	6,314,787
Transfers to other funds	700,000	50,000	50,000	-
Assigned to tourism	-	-	-	234,300
TOTAL USES	\$ 28,440,735	\$ 37,556,693	\$ 32,990,917	\$ 37,895,879
Change in fund balance	(376,090)	(8,822,693)	(1,211,965)	(5,051,696)
Beginning fund balance	30,553,438	30,177,348	30,177,348	28,965,383
Ending fund balance	\$ 30,177,348	\$ 21,354,655	\$ 28,965,383	\$ 23,913,687

Fund balance as percentage of Operating expenditures for:

Current fiscal year	155%	93%	127%	102%
Next fiscal year	132%	93%	124%	90%

Remaining liability:

Outstanding debt	\$ 8,758,788	\$ 8,182,444	\$ 8,182,444	\$ 7,392,468
Outstanding unfunded liability	17,487,095	18,038,063	18,038,063	11,233,108
Equivalent net worth	\$ 3,931,465	\$ (4,865,852)	\$ 2,744,876	\$ 5,288,111

FINANCIAL FORECAST

Overview
Exhibit A-1

OPERATING FUNDS (General & HURF)

Forecast 2020	Forecast 2021	Forecast 2022	Forecast 2023	Forecast 2024	Forecast 2025
\$ 30,770,540	\$ 31,385,951	\$ 32,013,670	\$ 32,653,943	\$ 33,307,022	\$ 33,973,163
4,723,957	4,818,436	4,914,804	5,013,101	5,113,363	5,215,630
\$ 35,494,497	\$ 36,204,387	\$ 36,928,474	\$ 37,667,044	\$ 38,420,385	\$ 39,188,792

Forecast 2020	Forecast 2021	Forecast 2022	Forecast 2023	Forecast 2024	Forecast 2025
\$ 19,277,166	\$ 20,241,024	\$ 21,253,075	\$ 22,315,729	\$ 23,431,516	\$ 24,603,091
6,139,527	3,285,212	3,449,473	3,621,947	3,803,044	3,993,196
1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
1,000,000	1,000,000	-	-	-	-
5,000,000	780,000	-	-	-	-
494,500	494,500	494,500	494,500	494,500	494,500
115,800	270,500	135,800	96,000	104,800	200,000
1,477,864	1,479,585	1,480,882	1,476,800	1,477,337	-
5,000,000	5,000,000	6,000,000	6,000,000	6,000,000	6,000,000
50,000	53,000	56,000	59,000	62,000	65,000
238,986	243,766	248,641	253,614	258,686	263,860
\$ 39,993,842	\$ 34,047,587	\$ 34,318,371	\$ 35,517,590	\$ 36,831,883	\$ 36,819,647
(4,499,346)	2,156,799	2,610,103	2,149,454	1,588,502	2,369,145
23,913,687	19,414,341	21,571,141	24,181,243	26,330,698	27,919,200
\$ 19,414,341	\$ 21,571,141	\$ 24,181,243	\$ 26,330,698	\$ 27,919,200	\$ 30,288,344

73%	87%	93%	97%	98%	102%
79%	83%	89%	93%	94%	97%

\$ 5,914,604	\$ 4,435,019	\$ 2,954,137	\$ 1,477,337	\$ -	\$ -
3,883,756	-	-	-	-	-
\$ 9,615,981	\$ 17,136,122	\$ 21,227,106	\$ 24,853,361	\$ 27,919,200	\$ 30,288,344

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BUDGET CALENDER

The Town undertakes a hybrid budget process each year, incorporating key elements of zero-based, priority-based, and program-based budgeting. The budget process starts each year with Council goals. Departments' submit their budget requests for each of their programs, incorporating specific needs for the upcoming fiscal year. These requests are presented and prioritized. A balanced "**Recommended**" budget is presented to Council for review and consideration.

All department requests are discussed with Council through a series of public meetings. Council then adopts a "**Tentative**" budget that sets the maximum spending for the fiscal year and is posted for public inspection. A public hearing is held for public comment. After public comments, the Council can still modify the tentative budget categorically, but cannot increase the maximum spending amounts. Council then adopts the final budget referred to as the "**Adopted**" budget.

During the fiscal year, should any requested budget amendments above those authorized by Town policy, are taken to Council for consideration and action.

This schedule of budget hearing days and listing of topics is **NOT** an official public notice. Times contained in these schedules are for illustrative and time-management purposes only. This schedule is flexible and subject to change.

Discussion / Presentation Agenda item	Date Time	Council Meeting type
DAY 1	April 12	
Introduction	0:20	Work session
Overview / summary	0:20	
Departments	1:40	
Discussion	0:15	
DAY 2	April 26	
Follow up from Day 1	0:15	Work session
Departments	0:40	
CIP	0:30	
Discussion	0:20	
DAY 3	May 10	
Follow up from Days 1 & 2	0:45	Work session
Add / Deletes	0:45	
State forms	0:05	
Discussion	0:10	
DAY 4	May 24	
Tentative Budget discussion and	-	Regular session
Approval on AZ State forms	-	
DAY 5	June 14	
Public hearing	-	Public hearing
Final Budget discussion & Adoption	-	Special session
Adjustments for 2017/18	-	Regular session
Budget Document	Aug 15	Information

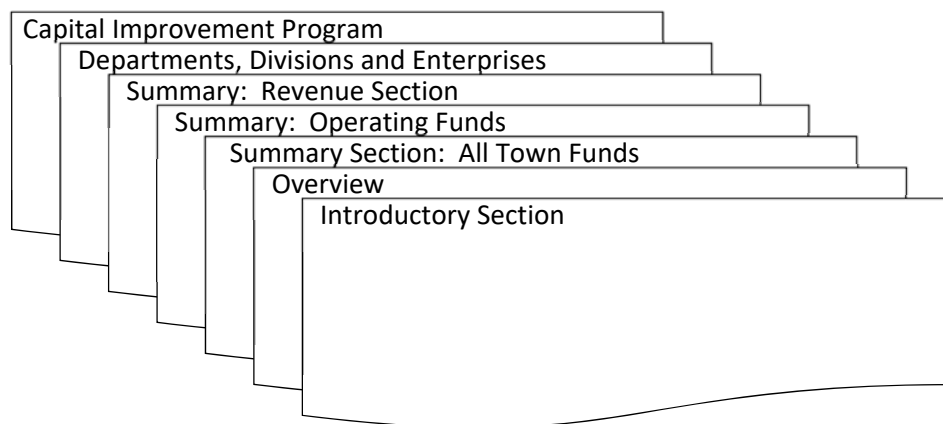
Discussion / Presentation Topics	Est. Time	Document Page #
Introduction	0:20	-
Overview section	0:10	13-31
Revenue section	0:10	36-53
Public safety		
Fire	0:05	121
Municipal court	0:40	133
Police	0:05	123
Alarm	0:10	125
Development & Maintenance		
Community development	0:10	71
Engineering	0:10	79
Public works	0:10	95
Wastewater	0:05	155
Wastewater impact fees	0:05	157
Central services		
Finance	0:05	83
Information technology	0:10	87
Leadership		
Town attorney	0:05	107
Mayor and Council	0:05	91
Town manager	0:10	111
Other sections		
Tourism	0:10	105
Human resources	0:10	-
Debt service	0:05	151
Summary section	0:10	36-53
CIP		161

BUDGET DOCUMENT



DESIGN OF THIS DOCUMENT

This budget document is designed to introduce the reader to a broad overview of the Town's finances and then gradually become more familiar as varied levels of further detail are progressively added with each section of the document. Reading the entire document is not intended for everyone. Whether it's the high level "*executive summary*" in the **overview**, various informative and easy to read "*exhibits and schedules*" in the **Summary section** or into the weeds with line items at the end of each "*department budgets*" in the **Departments, Divisions and Enterprise section**; finding that comfortable layer of information, is up to the individual.



The **Introduction** section contains a welcome from the Town Manager and an overall snap-shot of the organization structure.

The **Overview** section is comprised of tables and graphs to give a broad view of important financial information about the overall budget of the Town, information on it is designed to assist the reader when looking through all other aspects of this document and a quick calendar reference guide of when budget hearings are tentatively being scheduled with the Town Council.

The **Summary** section contains many summary schedules at a varied level of detail. Such items include, revenues, expenditures, changes in fund balances and changes in authorized full-time equivalents. The first part focuses on all Town funds, as a whole. The second part looks at the "operating fund" and the final part examines Public Safety.

The **Department, Division and Enterprises** section breaks down the Town's various programs and functions into operating budgets. It focuses on each department's operations and does not include major capital projects, contingencies and assignments, or revenues. Those are found in other sections of this document.

The **Capital Improvement Program** (CIP) is the final section of this budget document. This section contains a summary of projects by funding sources.

BUDGET DOCUMENT



ROLE OF THE BUDGET

One of the most important duties of the Town Council is to adopt an annual budget for the Town. The budget process provides the Council with the opportunity to match the needs of its customers (the community) and available resources with the intent of gaining the maximum return on each tax dollar. Sound financial planning is integral with the delivery of effective and efficient.

But the budget is **not** merely *sketchy calculations*, *thousands of line items*, and a *painful academic exercise*; budget appropriations ought **not** be viewed as Use it or Lose it... and next year's too; and very importantly: A budget is **NOT** a *mandate to spend*, but only the **authority** to do so.

A well-constructed budget is more than just a financial plan. It is intended to fulfill four major functions through its role as:

- ▶ A **Policy** Document
- ▶ A **Financial** Plan
- ▶ An **Operations** Guide, and
- ▶ A **Communications** Medium

CLASSIFICATIONS

POSITION CLASSIFICATION SCHEDULE

#	Job Class Title	Range	Minimum	Midpoint	Maximum
1	Court Clerk	A13	\$ 35,783	\$ 43,130	\$ 50,477
2	Postal Clerk	A13	35,783	43,130	50,477
3	Administrative Support Specialist	B21	38,371	46,631	54,892
4	Senior Planning & Building Clerk	B21	36,380	44,211	52,044
5	Senior Postal Clerk	B21	38,371	46,631	54,892
6	Lead Planning & Building Clerk	B22	40,671	49,546	58,423
7	Public Works Technician	B22	40,671	49,546	58,423
8	Senior Administrative Support Specialist	B22	40,671	49,546	58,423
9	Senior Court Services Specialist	B22	40,671	49,546	58,423
10	Traffic Sign Technician	B22	40,671	49,546	58,423
11	Legal Support Specialist	B23	43,257	52,605	61,955
12	Police Administrative Assistant	B23	43,257	52,605	61,955
13	Police Dispatcher	B23	43,257	52,605	61,955
14	Building Maintenance Technician	B24	45,558	55,522	65,487
15	Code Compliance Officer	B24	45,558	55,522	65,487
16	Public Safety Systems Analyst	B24	45,558	55,522	65,487
17	Lead Building Maintenance Technician	B25	49,294	60,039	70,784
18	Crime Analyst	B25	49,294	60,039	70,784
19	Lead Fleet Technician	B25	49,294	60,039	70,784
20	Paralegal	B25	49,294	60,039	70,784
21	Building and Zoning Inspector	B25	49,294	60,039	70,784
22	Court Services Supervisor	B25	49,294	60,039	70,784
23	Executive Asst to Town Manager/Council	B25	49,294	60,039	70,784
24	Public Works Supervisor	B26	54,181	66,015	77,848
25	Senior Accountant	B26	54,181	66,015	77,848
25	Information Technology Analyst	C41	56,622	70,400	84,176
26	Management Support Analyst	C41	56,622	70,400	84,176
27	Senior Engineering Technician	C41	56,622	70,400	84,176

CLASSIFICATIONS

Overview
Exhibit A-2

POSITION CLASSIFICATION SCHEDULE

#	Job Class Title	Range	Minimum	Midpoint	Maximum
28	Public Works Superintendent	C41	\$ 56,622	\$ 70,400	\$ 84,176
29	Planner	C42	58,922	73,316	87,709
30	Engineering Services Analyst	C42	58,922	73,316	87,709
31	Police Officer	C42	58,922	73,316	87,709
32	Community Resource Officer (Police Officer	C42	58,922	73,316	87,709
33	Police Corporal	C43	62,164	77,347	92,533
34	Plans Examiner/Building Inspector	C43	62,164	77,347	92,533
35	Plans Examiner/Deputy Fire Marshal	C43	62,164	77,347	92,533
36	Police Sergeant	C45	67,402	83,810	100,217
37	Senior Finance and Budget Analyst	C45	67,402	83,810	100,217
38	Senior IT Analyst/Management Analyst	C45	67,402	83,810	100,217
39	Procurement Coordination	C45	67,402	83,810	100,217
40	Police Communications Manager	C45	67,402	83,810	100,217
41	Senior Planner	C45	67,402	83,810	100,217
42	Town Clerk/Management Analyst	D61	74,588	94,613	114,640
43	Human Resources Manager	D61	74,588	94,613	114,640
44	Police Lieutenant	D63	80,910	101,173	121,437
45	Building Safety Manager/Fire Marshal	D65	84,848	107,586	130,326
46	Municipal Court Director	D65	84,848	107,586	130,326
47	Chief Information Officer	D65	84,848	107,586	130,326
48	Chief Financial Officer	D65	84,848	107,586	130,326
49	Community Development Director	E82	100,886	127,844	154,802
50	Public Works Director	E82	100,886	127,844	154,802
51	Town Engineer	E82	100,886	127,844	154,802
52	Police Chief	E84	117,673	149,117	180,562
53	Deputy Town Manager	E84	117,673	149,117	180,562
54	Town Attorney	-	Salary Set by Town Council		
55	Town Manager	-	Salary Set by Town Council		

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SUMMARY SECTION

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All TOWN FUNDS

ALL TOWN FUNDS: SOURCES AND USES

SOURCES AVAILABLE	General & HURF	Court Enhancement	Capital Projects	MPC & Debt Svs
Major Revenue	\$ 28,212,853	\$ 251,538	-	-
Non-major revenue	4,631,330	11,500	-	-
Enterprise fee	-	-	-	-
Net TRANSFERS (out) and in	(7,104,763)	-	6,748,987	789,976
Planned use of fund balance	4,909,110	-	-	467,697
Carry forward - Town projects*	142,586	-	4,177,400	-
Non-Town funded projects*	-	-	6,263,176	-
TOTAL SOURCES	\$ 30,791,116	\$ 263,038	\$ 17,189,563	\$ 1,257,673

EXPENDITURES	General & HURF	Court Enhancement	Capital Projects	MPC & Debt Svs
Community development	\$ 1,698,626	-	-	-
Engineering	737,605	-	-	-
Finance	570,652	-	-	-
Information technology	1,711,521	-	-	-
Mayor & Council	182,200	-	-	-
Public works (facilities & fleet)	860,510	-	-	-
Streets & pavement plan	3,125,754	-	-	-
Tourism	1,514,011	-	-	-
Town attorney's office	609,048	-	-	-
Town manager's office	1,075,822	-	-	-
Municipal court	789,633	\$ 74,400	-	-
Police department	8,966,067	-	-	-
Enterprise (and non-department)	-	-	-	-
Debt service: Principal	-	115,000	-	\$ 1,123,998
Debt service: Interest and fees	-	14,200	-	133,675
Capital outlay (Town)	-	-	\$ 10,856,390	-
CIP (Non-Town funded)	-	-	6,263,176	-
TOTAL EXPENDITURES	21,841,449	203,600	17,119,566	1,257,673
Contingencies & Set-asides	7,520,367	-	69,997	-
Assigned for subsequent year	1,429,300	59,438	-	-
TOTAL BUDGET 2018/19	\$ 30,791,116	\$ 263,038	\$ 17,189,563	\$ 1,257,673

PRIOR YEAR'S BUDGETS:

Adopted Budget 2017/18	\$ 28,868,400	\$ 161,700	\$ 15,946,400	\$ 1,101,400
Adopted Budget 2016/17	21,957,851	204,438	8,862,069	1,115,997

SOURCES & USES

ALL TOWN FUNDS

Exhibit B-1

ALL TOWN FUNDS: SOURCES AND USES

Grants & Donations	Alarm Services	Fire Services	Wastewater Funds	Wastewater Impact fees	2018/19 Total
-	-	-	-	-	\$ 28,464,391
\$ 121,845	-	\$ 60,000	\$ 10,000	-	4,834,675
-	185,000	3,096,000	2,400,000	220,000	5,901,000
-	-	-	(218,042)	(216,158)	-
58,339	154,968	-	-	21,158	5,611,272
-	-	-	-	-	4,319,986
-	-	-	-	-	6,263,176
\$ 180,184	\$ 339,968	\$ 3,156,000	\$ 2,191,958	\$ 25,000	\$ 55,394,500

Grants & Donations	Alarm Services	Fire Services	Wastewater Funds	Wastewater Impact fees	2018/19 Total
-	-	-	-	-	\$ 1,698,626
-	-	-	\$ 34,600	-	772,205
-	\$ 20,053	\$ 115,955	67,392	-	774,052
-	52,235	6,402	2,963	-	1,773,121
-	-	-	-	-	182,200
-	-	18,200	-	-	878,710
-	-	-	-	-	3,125,754
\$ 38,000	-	-	-	-	1,552,011
-	2,480	25,045	29,075	-	665,648
-	-	-	-	-	1,075,822
-	-	-	-	-	864,033
\$ 142,184	182,700	-	-	-	9,290,951
-	52,500	2,860,423	1,761,200	\$ 25,000	4,699,123
-	-	-	211,002	-	1,450,000
-	-	-	5,156	-	153,031
-	-	-	-	-	10,856,390
-	-	-	-	-	6,263,176
180,184	309,968	3,026,025	2,111,388	25,000	46,074,853
-	30,000	84,100	45,000	-	7,749,464
-	-	45,875	35,570	-	1,570,183
\$ 180,184	\$ 339,968	\$ 3,156,000	\$ 2,191,958	\$ 25,000	\$ 55,394,500

\$ 103,000	\$ 631,400	\$ 3,226,800	\$ 2,311,200	\$ 50,000	\$ 52,400,300
290,000	413,500	2,900,154	2,416,709	50,000	38,210,718

ALL TOWN FUNDS: FULL TIME EQUIVELENTS

DEPARTMENT	Adopted 2018/19	Projected 2017/18	Change #	Change %	Actual 2016/17	Actual 2015/16
Town manager's office	5	5	-	0.0%	4	4
Town attorney's office	4	3	1	31.7%	3	3
Municipal court	7	6	1	16.7%	5	5
Police department	49	44	5	11.4%	42	41
Public works (facilities & fleet)	3	3	-	0.0%	3	3
Streets & pavement plan	10	10	-	0.0%	10	10
Community development	11	11	-	0.0%	10	10
Engineering	5	4	1	25.0%	4	4
Information technology	5	4	1	25.0%	3	3
Finance	4	4	-	0.0%	4	4
Full Time Equivalents (FTE)	103	94	9	9.5%	88	87

FUNCTION	Adopted 2018/19	Projected 2017/18	Change #	Change %	Actual 2016/17	Actual 2015/16
Public safety *	56	50	6	12.0%	47	46
Development and Engineering	16	15	1	6.7%	14	14
Public works	13	13	-	0.0%	13	13
All other town functions	18	16	2	12.2%	14	14
Full Time Equivalents (FTE)	103	94	9	9.5%	88	87

* Public Safety = Municipal court & Police and the Alarm & Fire services

SCHEDULES

ALL TOWN FUNDS

Exhibit B-3

SCHEDULE OF TRANSFERS

Transfer in	Transfers out			Total
	General Fund	Wastewater Impact Fees	Wastewater Utility	
HURF fund (Streets)	\$ 2,207,986	-	-	\$ 2,207,986
Capital projects fund	6,314,787	-	\$ 434,200	6,748,987
Debt service fund	789,976	-	-	789,976
Fire service fund	-	-	-	-
Wastewater utility	-	\$ 216,158	-	216,158
Total	\$ 9,312,749	\$ 216,158	\$ 434,200	\$ 9,963,107

SCHEDULE OF ADMINISTRATIVE COSTS

Servicing unit	Enterprise			Total
	Alarm	Fire	Wastewater	
Town attorney	\$ 2,480	\$ 25,045	\$ 29,075	\$ 56,600
Police				
Administration	138,700	-	-	138,700
Communications	44,000	-	-	44,000
Facilities	-	18,200	-	18,200
Engineering	-	-	34,600	34,600
Information technology	52,235	6,402	2,963	61,600
Finance	20,053	115,955	67,392	203,400
Total	\$ 257,468	\$ 165,602	\$ 134,030	\$ 557,100

GENERAL FUND SET-ASIDES

Purpose	Amount
PSPRS Part I	\$ 5,000,000
PSPRS Part II	1,000,000
General contingency	1,025,367
Merit pool	440,000
Bike ped contract	30,000
HR studies	15,000
Benchmark studies	10,000
Assigned to tourism	234,300
Fleet repair & replace	282,500
Facilities repair & replace	912,500
Total	\$ 8,949,667

EXPENDITURE LIMITATIONS

Estimated Limit	Amount
Total budgeted expenditures	\$ 55,394,500
Net reconcilable items (+/-)	(356,492)
Estimated exclusions	(2,142,083)
<i>Budget as adjusted</i>	52,895,925
<i>*reported as "exclusions" on the ELR</i>	
<i>* Carry forward available</i>	(10,440,576)
Budget as adjusted	42,455,349
<i>* GF: Assigned to future years</i>	(1,570,183)
Budget subject to Exp. Limit	40,885,166
EEC limit for Paradise Valley	40,907,550
Amount under Exp. Limit	\$ 22,384

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OPERATING FUNDS

SOURCES & USES

OPERATING FUNDS: SOURCES & USES

	Adopted 2018/19	Amended 2017/18	Change \$	Change %
REVENUE				
Major revenue, by source				
Transaction privilege tax (Sales)	\$ 15,513,312	\$ 14,295,000	\$ 1,218,312	8.5%
Occupancy tax (Bed)	4,274,600	3,984,000	290,600	7.3%
Court fines - counter	1,921,120	1,762,000	159,120	9.0%
Income tax	1,762,232	1,758,000	4,232	0.2%
State shared TPT (Sales)	1,424,721	1,071,000	353,721	33.0%
Highway User Revenue (HURF)	917,768	811,000	106,768	13.2%
Building permits	2,399,100	835,000	1,564,100	187%
Total major revenue	28,212,853	24,516,000	3,696,853	15.1%
Non-major revenue, by type				
Taxes	1,029,380	1,044,000	\$ (14,620)	-1.4%
Intergovernmental	647,950	577,000	70,950	12.3%
Fines and forfeitures	804,000	816,000	(12,000)	-1.5%
License and permits	1,340,000	1,064,000	276,000	25.9%
Rentals and royalties	310,000	610,000	(300,000)	-49.2%
Contributions and donations	400,000	680,000	(280,000)	-41.2%
Interest income	100,000	20,000	80,000	400.0%
Total non-major revenue	4,631,330	4,811,000	(179,670)	-3.7%
Total revenue	\$ 32,844,183	\$ 29,327,000	\$ 3,517,183	12.0%
EXPENDITURES				
Community development	\$ 1,698,626	\$ 1,642,795	\$ 55,831	3.4%
Engineering	737,605	527,345	210,260	39.9%
Finance	570,652	748,687	(178,035)	-23.8%
Information technology	1,711,521	1,627,651	83,870	5.2%
Mayor & Council	182,200	139,000	43,200	31.1%
Public works (facilities & fleet)	860,510	820,734	39,776	4.8%
Streets & pavement plan	3,125,754	4,739,194	(1,613,440)	-34.0%
Tourism	1,514,011	1,338,900	175,111	13.1%
Town attorney's office	609,048	582,820	26,228	4.5%
Town manager's office	1,075,822	933,859	141,963	15.2%
Municipal court	789,633	797,718	(8,085)	-1.0%
Police department	8,966,067	8,334,048	632,019	7.6%
Total expenditures	\$ 21,841,449	\$ 22,232,751	\$ (391,302)	-2%
Contingencies & Set-asides	8,949,667	6,635,649	2,314,018	n/a
Transfers OUT to other funds	7,104,763	8,688,293	(1,583,530)	-18.2%
Addition to (Use of) fund balance	\$ (5,051,696)	\$ (8,229,693)	\$ 3,177,997	-39%

SOURCES & USES

OPERATING FUNDS Exhibit C-1

OPERATING FUNDS: SOURCES & USES					
Projected 2017/18	Actual 2016/17	Actual 2015/16	Actual 2014/15	Actual 2013/14	Actual 2012/13
\$ 14,848,025	\$ 13,818,317	\$ 11,345,902	\$ 11,447,449	\$ 10,300,810	\$ 9,233,129
4,071,053	3,701,739	3,207,626	3,117,450	2,835,515	2,727,892
1,883,452	1,318,793	1,990,163	1,118,688	931,039	820,355
1,777,811	1,703,256	1,543,526	1,551,940	1,428,952	1,309,535
1,346,296	1,277,675	1,217,296	1,171,604	1,115,888	1,049,341
919,102	897,142	828,858	793,772	723,714	701,728
2,399,100	876,434	969,090	613,269	612,329	516,827
27,244,839	23,593,356	21,102,461	19,814,172	17,948,247	16,358,807
1,028,021	1,056,547	1,146,142	1,037,257	1,059,618	1,059,225
618,289	639,339	581,196	516,778	476,137	444,317
799,061	740,849	1,122,868	580,991	107,721	111,935
1,341,928	1,408,964	1,210,756	921,615	817,724	794,543
309,472	307,779	305,703	304,507	297,466	292,987
281,090	139,576	737,089	118,092	523,562	208,347
156,252	182,683	265,831	90,031	93,736	174,562
4,534,113	4,475,737	5,369,585	3,569,271	3,375,964	3,085,916
\$ 31,778,952	\$ 28,069,093	\$ 26,472,046	\$ 23,383,443	\$ 21,324,211	\$ 19,444,723
Projected 2017/18	Actual 2016/17	Actual 2015/16	Actual 2014/15	Actual 2013/14	Actual 2012/13
\$ 1,600,717	\$ 1,279,531	\$ 1,202,981	\$ 1,200,514	\$ 1,107,841	\$ 1,109,976
453,273	461,487	421,078	379,429	380,560	277,570
630,429	641,255	685,450	496,641	706,798	451,366
1,570,746	1,077,280	1,065,591	896,203	795,157	512,138
145,734	150,435	153,758	136,673	81,193	92,783
786,889	834,049	863,623	820,353	849,314	801,055
4,668,100	2,787,263	2,786,005	3,014,861	2,694,052	2,677,492
1,338,900	1,325,037	1,205,426	1,165,708	1,057,025	975,000
494,669	567,918	628,711	420,474	478,132	607,782
923,276	786,775	772,239	810,289	658,617	716,917
726,900	687,139	623,587	551,444	497,895	415,520
8,840,658	13,967,149	9,052,755	7,379,748	6,215,922	5,623,187
\$ 22,180,291	\$ 24,565,318	\$ 19,461,204	\$ 17,272,338	\$ 15,522,506	\$ 14,260,785
2,122,333	-	-	-	-	-
8,688,293	3,877,639	2,731,485	4,431,498	1,455,395	4,572,288
\$ (1,211,965)	\$ (373,864)	\$ 4,279,357	\$ 1,679,608	\$ 4,346,310	\$ 611,650

USES by CATEGORY

OPERATING FUNDS: USES, by CATEGORY

EXPENDITURES	Personnel	Supplies & Services	Capital	Debt Service
Community development	\$ 1,225,104	\$ 473,522	-	-
Engineering	561,378	176,227	-	-
Finance	262,669	307,983	-	-
Information technology	539,744	1,171,777	-	-
Mayor & Council	1,300	180,900	-	-
Public works	1,139,440	2,806,824	\$ 40,000	-
Tourism	-	1,514,011	-	-
Town attorney's office	509,388	99,660	-	-
Town manager's office	804,695	271,127	-	-
Municipal court	609,164	180,469	-	-
Police department	6,849,303	1,774,764	342,000	-
TOTAL EXPENDITURES	12,502,185	8,957,264	382,000	-
SET ASIDES				
PSPRS Part I	-	-	-	-
PSPRS Part II	-	-	-	-
General contingency	-	-	-	-
Merit pool	-	-	-	-
Bike ped contract	-	-	-	-
HR studies	-	-	-	-
Benchmark studies	-	-	-	-
Assigned to tourism	-	-	-	-
Fleet repair & replace	-	-	-	-
Facilities repair & replace	-	-	-	-
TOTAL SET ASIDES	-	-	-	-
TRANSFER OUT				
Capital projects fund	-	-	-	-
Debt service fund	-	-	-	\$ 789,976
TOTAL TRANSFERS OUT	-	-	-	789,976
TOTAL USES	\$ 12,502,185	\$ 8,957,264	\$ 382,000	\$ 789,976
BUDGET 2017/18	\$ 11,528,351	\$ 10,299,100	\$ 405,300	\$ 288,172
Change in \$	973,834	(1,341,836)	(23,300)	501,804
Change in %	8.4%	-13.0%	-5.7%	174.1%

USES by CATEGORY

OPERATING FUNDS

Exhibit C-2

OPERATING FUNDS: USES, by CATEGORY

Capital Improvements	Use by other Funds	Specific use Contingency	General use Contingency	Assigned for Future year(s)	Total
-	-	-	-	-	\$ 1,698,626
-	-	-	-	-	737,605
-	-	-	-	-	570,652
-	-	-	-	-	1,711,521
-	-	-	-	-	182,200
-	-	-	-	-	3,986,264
-	-	-	-	-	1,514,011
-	-	-	-	-	609,048
-	-	-	-	-	1,075,822
-	-	-	-	-	789,633
-	-	-	-	-	8,966,067
-	-	-	-	-	21,841,449
-	-	\$ 5,000,000	-	-	5,000,000
-	-	1,000,000	-	-	1,000,000
-	-	-	\$ 1,025,367	-	1,025,367
-	-	440,000	-	-	440,000
-	-	30,000	-	-	30,000
-	-	15,000	-	-	15,000
-	-	10,000	-	-	10,000
-	-	-	-	\$ 234,300	234,300
-	-	-	-	282,500	282,500
-	-	-	-	912,500	912,500
-	-	6,495,000	1,025,367	1,429,300	8,949,667
\$ 6,314,787	-	-	-	-	6,314,787
-	-	-	-	-	789,976
6,314,787	-	-	-	-	7,104,763
\$ 6,314,787	\$ -	\$ 6,495,000	\$ 1,025,367	\$ 1,429,300	\$ 37,895,879
\$ 8,350,121	\$ 50,000	\$ 5,291,549	\$ 1,344,100	\$ -	\$ 37,556,693
(2,035,334)	(50,000)	1,203,451	(318,733)	1,429,300	339,186
-24.4%	-100.0%	22.7%	-23.7%	N/A	0.9%

OPERATING FUNDS: Matching Recurring and One-time Sources & Uses

SOURCES	Total Sources	Operating Funds		Restricted / Assigned
		Recurring	One-Time	
Revenues				
Transaction privilege tax (Sales)	\$ 15,513,312	\$ 10,808,856	\$ 4,704,456	-
Occupancy tax (Bed)	4,274,600	4,013,300	-	\$ 261,300
Court fines - counter	1,921,120	789,633	1,131,487	-
Urban revenue sharing	1,762,232	1,762,232	-	-
State shared TPT (Sales)	1,424,721	1,424,721	-	-
Highway User Revenue (HURF)	917,768	917,768	-	-
Building permits	2,399,100	750,000	1,649,100	-
Taxes	1,029,380	1,029,380	-	-
Intergovernmental	647,950	647,950	-	-
Fines and forfeitures	804,000	804,000	-	-
License and permits	1,340,000	983,000	357,000	-
Rentals and royalties	310,000	310,000	-	-
Contributions and donations	400,000	400,000	-	-
Interest income	100,000	100,000	-	-
Recurring used for one-time	-	(498,678)	498,678	-
Planned use of Fund Balance	5,051,696	-	-	5,051,696
Total sources	\$ 37,895,879	\$ 24,242,162	\$ 8,340,721	\$ 5,312,996

EXPENDITURES & TRANSFERS	Total Funded	Operating Funds		Use of Restricted
		Recurring	One-Time	
Community development	\$ 1,698,626	\$ 1,662,626	\$ 36,000	-
Engineering	737,605	693,605	44,000	-
Finance	570,652	570,652	-	\$ -
Information technology	1,711,521	1,279,765	431,756	-
Mayor & Council	182,200	149,800	32,400	\$ -
Public works (facilities & fleet)	860,510	820,510	40,000	-
Streets & pavement plan	3,125,754	3,042,959	82,795	\$ -
Tourism (40.9%)	1,514,011	1,514,011	-	-
Town attorney's office	609,048	609,048	-	\$ -
Town manager's office	1,075,822	1,070,822	5,000	-
Municipal court	789,633	789,633	-	\$ -
Police department	8,966,067	8,279,088	686,979	-
Contingencies & Set-asides	8,949,667	2,949,667	687,004	\$ 5,312,996
Transfers Out	7,104,763	809,976	6,294,787	-
Total expenditures & transfers	\$ 37,895,879	\$ 24,242,162	\$ 8,340,721	\$ 5,312,996

Net Sources and Expenditures & transfers	\$ -	\$ -	\$ -	\$ -
---	------	------	------	------

PUBLIC SAFETY

SOURCES & USES

PUBLIC SAFETY: SOURCES AND USES - ALL FUNDS

SOURCES AVAILABLE	General Fund	Court Enhancement	Court Grants	Police Grants
General fund general revenue	\$ 13,005,580	-	-	-
Service fee	-	-	-	-
IGA service fee	-	-	-	-
Rents & reimbursements	-	-	-	-
Court enhancement fees	-	\$ 251,538	-	-
Court fines - counter	1,921,120	-	-	-
Court PD technology fee	635,000	-	-	-
False alarm fines	-	-	-	-
Public safety fee	105,000	-	-	-
\$4 citing agency-SB1398	25,000	-	-	-
Jail fee reimbursements	10,000	-	-	-
Indigent legal fee reimbursement	-	-	-	-
Process service fee - court	35,000	-	-	-
Police impound fee	19,000	-	-	-
Grants	-	-	\$ 11,500	\$ 68,845
Donations	-	-	-	-
Use of fund balance	-	-	-	53,000
TOTAL SOURCES	\$ 15,755,700	\$ 251,538	\$ 11,500	\$ 121,845

EXPENDITURES	General Fund	Court Enhancement	Court Grants	Police Grants
Police department	\$ 8,966,067	-	-	\$ 121,845
Alarm supplies & services	-	-	-	-
Fire supplies & services	-	-	-	-
Municipal court	789,633	\$ 71,900	\$ 2,500	-
Debt service: principal	-	115,000	-	-
Debt service: interest	-	14,200	-	-
Billing and technical support	-	-	-	-
TOTAL EXPENDITURES	9,755,700	201,100	2,500	121,845
Contingencies & Set-asides	6,000,000	-	-	-
Assigned for subsequent year	-	50,438	9,000	-
TOTAL BUDGET	\$ 15,755,700	\$ 251,538	\$ 11,500	\$ 121,845

SOURCES & USES

PUBLIC SAFETY: SOURCES AND USES - ALL FUNDS

Police Donations	Total Governmental	Alarm Fund	Fire Fund	Total Enterprise	Total Public Safety
-	\$ 13,005,580	-	-	-	\$ 13,005,580
-	-	\$ 185,000	\$ 2,851,000	\$ 3,036,000	3,036,000
-	-	-	245,000	245,000	245,000
-	-	-	60,000	60,000	60,000
-	251,538	-	-	-	251,538
-	1,921,120	-	-	-	1,921,120
-	635,000	-	-	-	635,000
-	-	-	-	-	-
-	105,000	-	-	-	105,000
-	25,000	-	-	-	25,000
-	10,000	-	-	-	10,000
-	-	-	-	-	-
-	35,000	-	-	-	35,000
-	19,000	-	-	-	19,000
-	80,345	-	-	-	80,345
\$ 15,000	15,000	-	-	-	15,000
5,339	58,339	154,968	-	154,968	213,307
\$ 20,339	\$ 16,160,922	\$ 339,968	\$ 3,156,000	\$ 3,495,968	\$ 19,656,890

Police Donations	Total Governmental	Alarm Fund	Fire Fund	Total Enterprise	Total Public Safety
\$ 20,339	\$ 9,108,251	\$ 182,700	-	\$ 182,700	\$ 9,290,951
-	-	52,500	-	52,500	52,500
-	-	-	2,860,423	2,860,423	2,860,423
-	864,033	-	-	-	864,033
-	115,000	-	-	-	115,000
-	14,200	-	-	-	14,200
-	-	74,768	165,602	240,370	240,370
20,339	10,101,484	309,968	3,026,025	3,335,993	13,437,477
-	6,000,000	30,000	84,100	114,100	6,114,100
-	59,438	-	45,875	45,875	105,313
\$ 20,339	\$ 16,160,922	\$ 339,968	\$ 3,156,000	\$ 3,495,968	\$ 19,656,890

USES by CATEGORY

PUBLIC SAFETY: USES by CATEGORY - ALL FUNDS

EXPENDITURES	Personnel	Supplies & Services*	Capital	Debt Service
Police department	\$ 7,032,003	\$ 1,916,948	\$ 342,000	-
Alarm supplies & services	-	52,500	-	-
Fire supplies & services	-	2,860,423	-	-
Municipal court	609,164	254,869	-	\$ 129,200
Billing and technical support	240,370	-	-	-
TOTAL EXPENDITURES	7,881,537	5,084,740	342,000	129,200
SET ASIDES - Governmental				
PSPRS Part I	-	-	-	-
PSPRS Part II	-	-	-	-
Court enhancements	-	-	-	-
Court grants	-	-	-	-
TOTAL SET ASIDES-Govt	-	-	-	-
SET ASIDES - Enterprises				
Alarm services	-	-	-	-
Fire services	-	-	-	-
TOTAL SET ASIDES-Entprs	-	-	-	-
TOTAL USES	\$ 7,881,537	\$ 5,084,740	\$ 342,000	\$ 129,200

USES by CATEGORY

PUBLIC SAFETY: USES by CATEGORY - ALL FUNDS

Capital Improvements	Transfer Out	Specific use Contingency	Spendable Contingency	Assigned for Future year(s)	Total
-	-	-	-	-	\$ 9,290,951
-	-	-	-	-	52,500
-	-	-	-	-	2,860,423
-	-	-	-	-	993,233
-	-	-	-	-	240,370
-	-	-	-	-	13,437,477
-	-	\$ 5,000,000	-	-	5,000,000
-	-	1,000,000	-	-	1,000,000
-	-	-	-	\$ 50,438	50,438
-	-	-	-	9,000	9,000
-	-	6,000,000	-	59,438	6,059,438
-	-	-	\$ 30,000	-	30,000
-	-	-	84,100	45,875	129,975
-	-	-	114,100	45,875	159,975
\$ -	\$ -	\$ 6,000,000	\$ 114,100	\$ 105,313	\$ 19,656,890

PUBLIC SAFETY: SOURCES & USES - GENERAL FUND

REVENUE	Recommended 2018/19	Amended 2017/18	Change \$	Change %
General fund general revenue	\$ 13,005,580	\$ 12,528,766	\$ 476,814	3.8%
Court fines - counter	1,921,120	1,762,000	159,120	9.0%
Court PD technology fee	635,000	588,000	47,000	8.0%
False alarm fines	-	-	-	n/a
Public safety fee	105,000	170,000	(65,000)	-38.2%
\$4 citing agency-SB1398	25,000	25,000	-	0.0%
Jail fee reimbursements	10,000	13,000	(3,000)	-23.1%
Indigent legal fee reimbursement	-	-	-	n/a
Process service fee - court	35,000	45,000	(10,000)	-22.2%
Police impound fee	19,000	-	19,000	n/a
TOTAL SOURCES	\$ 15,755,700	\$ 15,131,766	\$ 623,934	4%
EXPENDITURES	Recommended 2018/19	Amended 2017/18	Change \$	Change %
Municipal court	789,633	797,718	(8,085)	-1.0%
Police department	8,966,067	8,334,048	632,019	7.6%
Total expenditures	\$ 9,755,700	\$ 9,131,766	\$ 623,934	7%
PSPRS Part I *	5,000,000	1,000,000	4,000,000	n/a
PSPRS Part II *	1,000,000	5,000,000	(4,000,000)	-80.0%
TOTAL USES	\$ 15,755,700	\$ 15,131,766	\$ -	4%

* PSPRS is budgeted for as a set-aside until it is actually paid.
When PSPRS is paid, it is recorded as a Police Department expenditures

GENERAL FUND

PUBLIC SAFETY: SOURCES & USES - GENERAL FUND

Projected 2017/18	Actual 2016/17	Actual 2015/16	Actual 2014/15	Actual 2013/14	Actual 2012/13
\$ 8,310,045	\$ 12,562,582	\$ 6,506,628	\$ 6,209,142	\$ 5,656,797	\$ 5,091,175
1,883,452	1,318,793	1,990,163	1,118,688	931,039	820,355
632,277	598,132	874,787	405,027	-	-
150	460	15	3,802	-	585
103,582	90,711	184,781	114,246	85,204	72,075
25,000	32,064	50,783	26,572	18,259	15,242
8,706	10,984	10,068	9,257	-	-
-	220	1,353	2,382	-	-
32,776	7,642	45,764	42,077	22,517	39,275
21,570	32,700	12,000	-	-	-
\$ 11,017,558	\$ 14,654,288	\$ 9,676,342	\$ 7,931,193	\$ 6,713,816	\$ 6,038,707
Projected 2017/18	Actual 2016/17	Actual 2015/16	Actual 2014/15	Actual 2013/14	Actual 2012/13
726,900	687,139	623,587	551,444	497,895	415,520
8,840,658	13,967,149	9,052,755	7,379,748	6,215,922	5,623,187
\$ 9,567,558	\$ 14,654,288	\$ 9,676,342	\$ 7,931,193	\$ 6,713,816	\$ 6,038,707
1,000,000	-	-	-	-	-
450,000	-	-	-	-	-
\$ 11,017,558	\$ 14,654,288	\$ 9,676,342	\$ 7,931,193	\$ 6,713,816	\$ 6,038,707

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REVENUE SECTION

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SUMMARY OF SOURCES

GOVERNMENTAL REVENUE

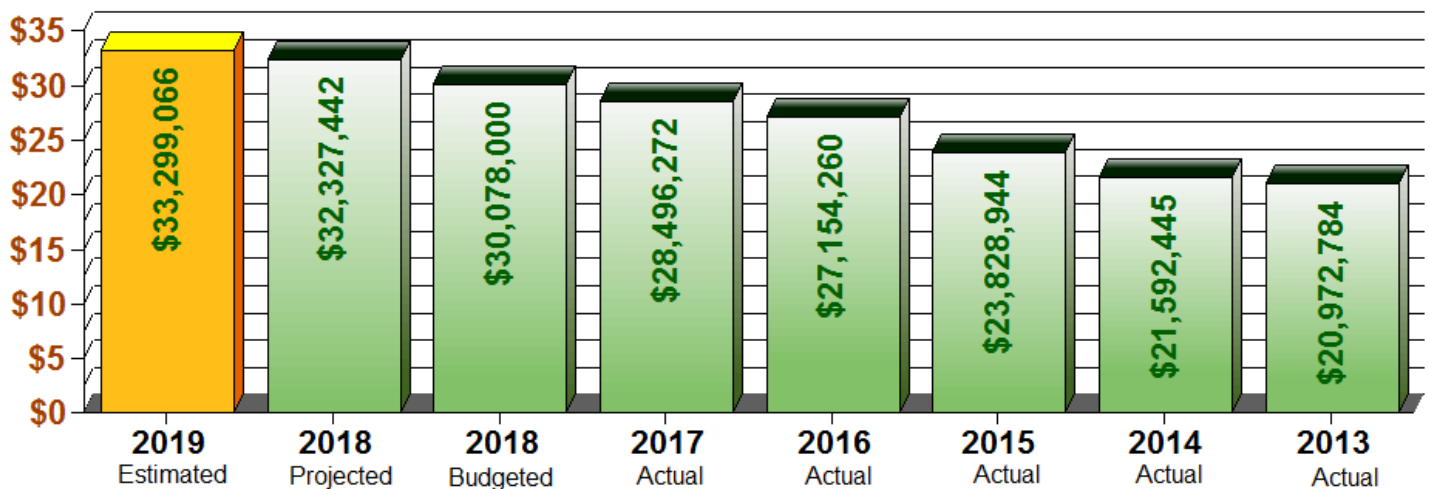
The *Summary of Sources* (the “SOS”) section focuses on revenues that support the Town’s governmental operations. Governmental revenue includes: the operating fund, grants, donations and other restrictive funds. Enterprise revenues are not included in this section. The Summary of Sources Section peels back layers into the revenue composition, trends and what forces drive them.

Total *estimated* governmental revenue for 2018/19 are \$33,299,066; which is \$971,624 (3%) more than **projected** for **2017/18** and \$3,221,066 (11%) more than **budgeted** for **2017/18**.

The graph below illustrates total governmental revenue from 2012/13.

TOTAL REVENUE

All Sources (in millions)



SUMMARY OF SOURCES

TOTAL REVENUE

Major revenues are a combination of seven (7) individually reported revenue sources. Trends show that historically, these seven revenues have combined to generally meet the benchmark of 80% of total governmental revenues (78%-84% from 2013 to 2018). Estimating these seven sources with reasonable accuracy is vital to adequately managing and supporting the Town's financial strategies.

Non-major revenues are all the other 30 distinctive operating revenues that the Town receives.

Restricted revenues are sources that have specific restrictions in their use. Certain grants and fees are in this category.

The chart and graph below illustrate major, non-major and restricted revenues that support the Town's governmental operations.

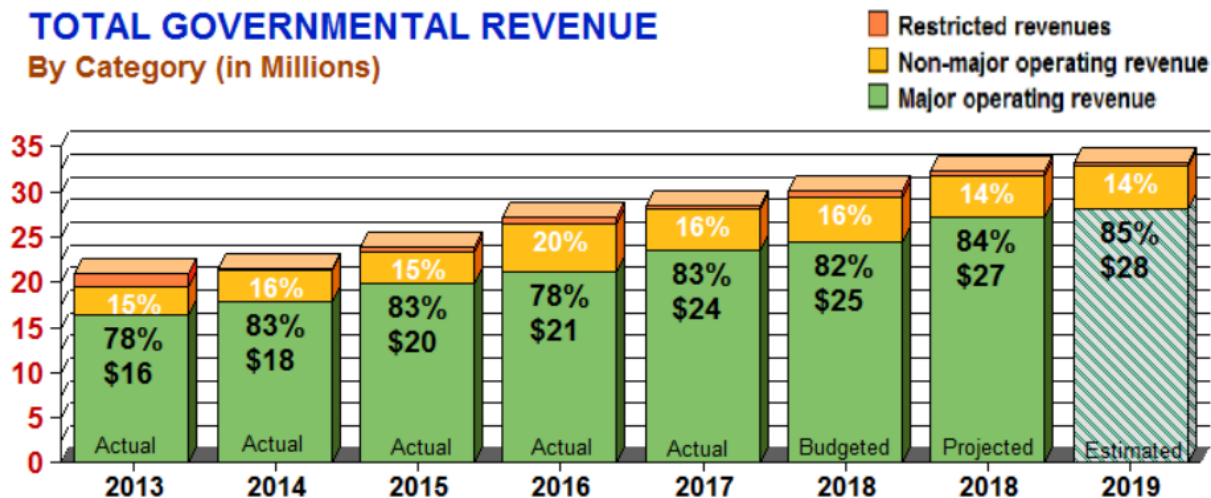
REV Table 1 - GOVERNMENTAL REVENUE

Revenue by Type	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Major operating revenue	\$28,212,853	\$24,516,000	\$ 3,696,853	15%	\$27,244,839	\$ 23,593,356
Non-major operating revenue	4,631,330	4,811,000	(179,670)	-4%	4,534,113	4,475,737
Restricted revenues	454,883	751,000	(296,117)	-39%	548,490	427,179
Total revenue	\$33,299,066	\$30,078,000	\$ 3,221,066	11%	\$32,327,442	\$ 28,496,272

* Adopted funding levels for the 2018/19 budget year

TOTAL GOVERNMENTAL REVENUE

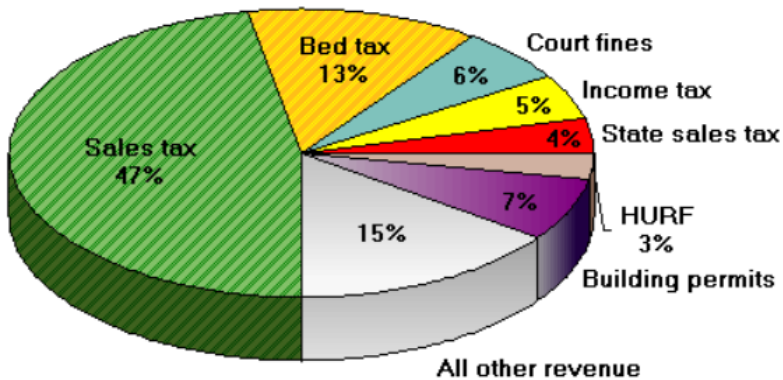
By Category (in Millions)



SUMMARY OF SOURCES

MAJOR REVENUES

Major revenues are estimated at \$28,212,853 for 2018/19. This is an increase of \$3,696,853 (15%) compared to last year's budget and \$968,014 more than is being projected for last year's actual collections. The graph to the left shows the proportionate amount for each revenue, by major source. The chart and graph below illustrate each of the seven major revenues.



Of the seven major revenues, the local sales tax (TPT) is the most predominant; accounting for approximately 47% of total estimated governmental revenue.

The occupancy (bed) tax is the next largest major revenue accounting for 13% of total revenue. Building permits have spiked in 2018 and they are 7% of total revenues.

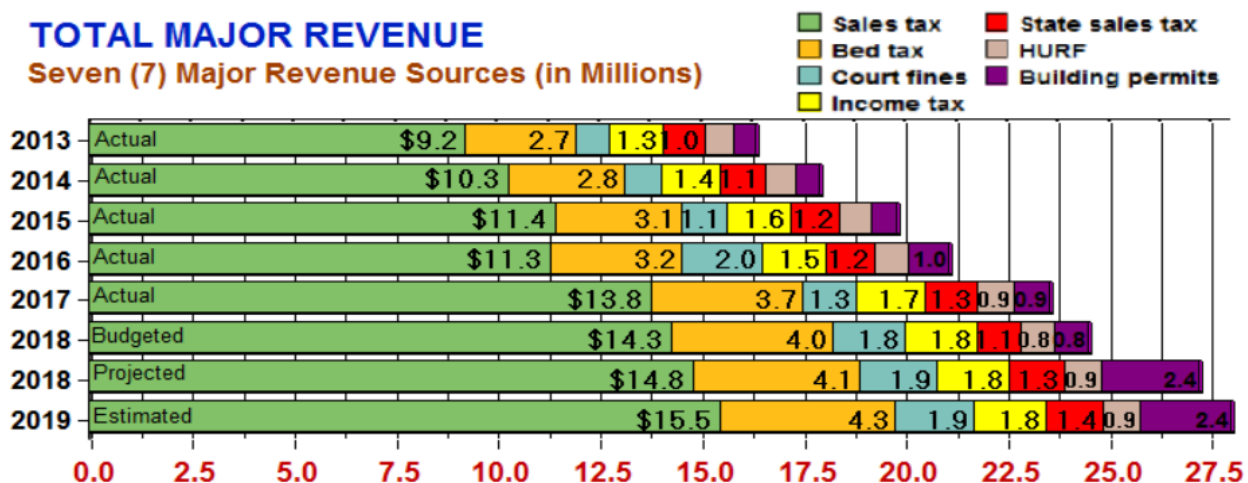
REV Table 2 - MAJOR REVENUE

Operating Revenue by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Major operating revenue						
Transaction privilege tax (Sales)	\$15,513,312	\$14,295,000	1,218,312	9%	\$14,848,025	\$ 13,818,317
Occupancy tax (Bed)	4,274,600	3,984,000	290,600	7%	4,071,053	3,701,739
Court fines - counter	1,921,120	1,762,000	159,120	9%	1,883,452	1,318,793
Income tax	1,762,232	1,758,000	4,232	0%	1,777,811	1,703,256
State shared TPT (Sales)	1,424,721	1,071,000	353,721	33%	1,346,296	1,277,675
Highway User Revenue (HURF)	917,768	811,000	106,768	13%	919,102	897,142
Building permits	2,399,100	835,000	1,564,100	187%	2,399,100	876,434
Total Major Revenue	\$28,212,853	\$24,516,000	\$ 3,696,853	15%	\$27,244,839	\$ 23,593,356
Non-major operating revenue	4,631,330	4,811,000	(179,670)	-4%	4,534,113	4,475,737
Total Operating Revenue	\$32,844,183	\$29,327,000	\$ 7,214,036	12%	\$31,778,952	\$ 28,069,093

* Adopted funding levels for the 2018/19 budget year

TOTAL MAJOR REVENUE

Seven (7) Major Revenue Sources (in Millions)



SUMMARY OF SOURCES

LOCAL SALES TAX (TPT)

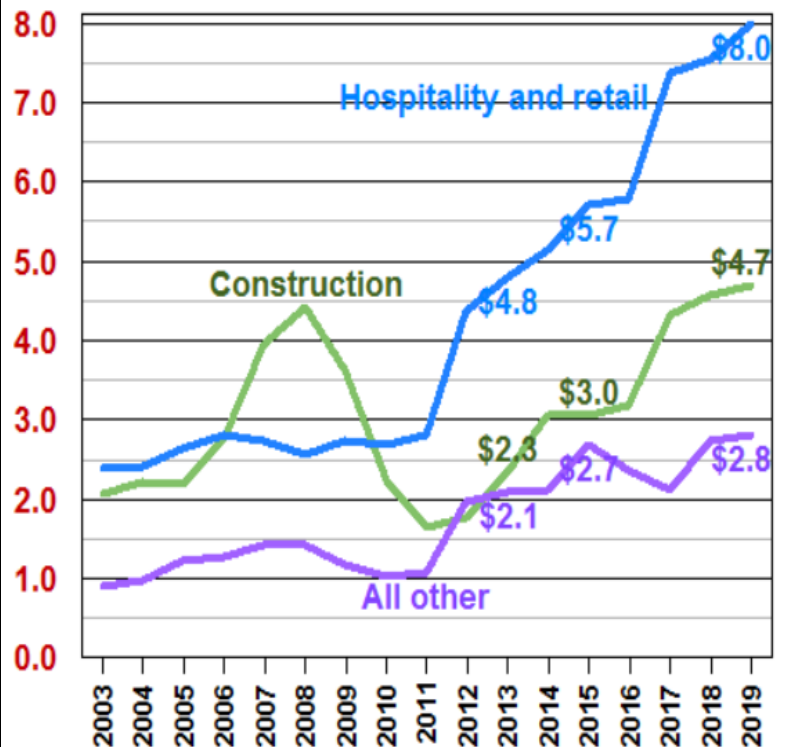
There are numerous components and taxable activities within the local sales tax (TPT), but can be simplified into three (3) main categories: Construction, Hospitality and Retail, and All Other.

Construction is general considered a one-time revenue, because once the construction is completed and the tax is collected the activity is done.

Per Town policy, all construction sales tax received in excess of \$500,000 is transferred to the Capital Improvement Program.

Hospitality and Retail is a significant category for the Town because of its potential to be recurring year-to-year and recent growth.

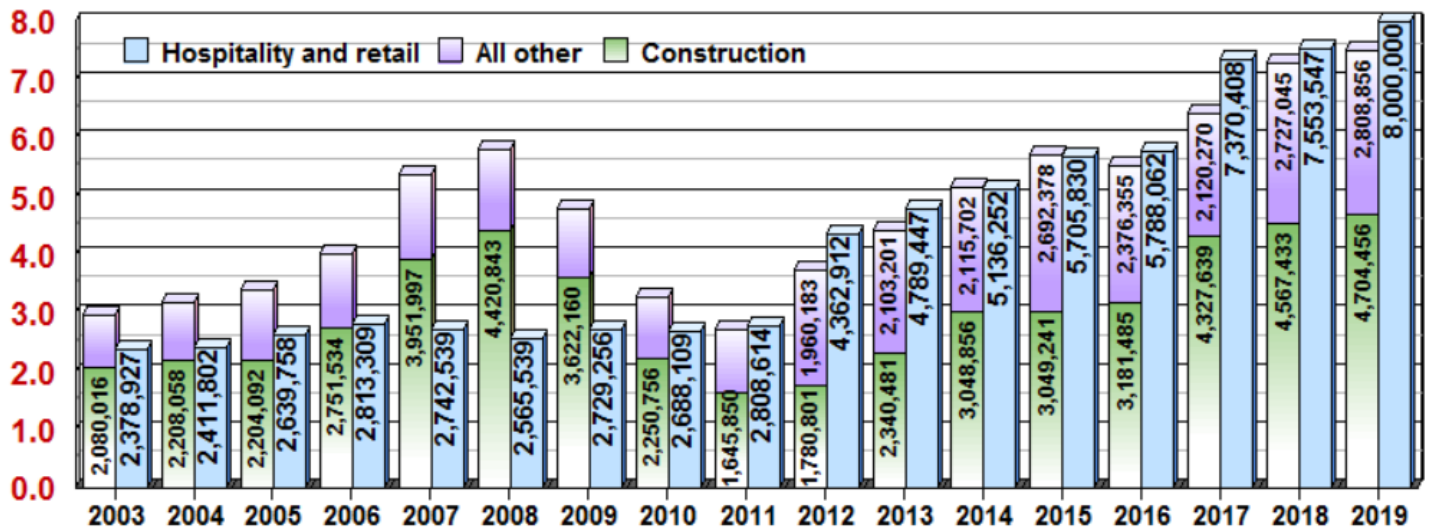
The line graph to the right shows the 3-main categories for local sales tax from 2003-2019 (in millions).



REV Table 3 - Major Revenue: TRANSACTION PRIVILEGE TAX (SALES)

Revenue	Budget	Projected	Actual	Actual	Actual	Actual
All Sources	2018/19*	2017/18	2016/17	2015/16	2014/15	2013/14
Hospitality and retail	\$ 8,000,000	\$ 7,553,547	\$ 7,370,408	\$ 5,788,062	\$ 5,705,830	\$ 5,136,252
Construction	4,704,456	4,567,433	4,327,639	3,181,485	3,049,241	3,048,856
All other	2,808,856	2,727,045	2,120,270	2,376,355	2,692,378	2,115,702
Total Sales tax	\$15,513,312	\$14,848,025	\$13,818,317	\$11,345,902	\$11,447,449	\$ 10,300,810

* Adopted funding levels for the 2018/19 budget year



SUMMARY OF SOURCES

BED (OCCUPANCY) TAX

Tourism and the hospitality industry are critical elements and contribute greatly to the Town's character. This industry generates a good portion of the Town's operating revenue. As a result, the Town dedicates significant resources to invest in tourism promotion.

- ▶ The Town invests 40.9% of its audited bed tax from two years prior into the current budget year.
- ▶ For example in audit year 2017, the Town received \$3,701,739 in bed tax revenue; and then 40.9% is invested in budget 2019 (\$1,514,011).
- ▷ To limit the risk of over allocating current resources, this budget recommends beginning to set aside and assign the difference of the 40.9% of the current revenue to what is paid to Tourism. That balance will be segregated on the balance sheet and paid when due.
- ▷ For example: The Estimated Bed Tax revenue for 2019 is \$4,274,600. The investment of 40.9% of \$4,274,600 is \$1,748,311. However, the Town's investment to Tourism based on 2017 is \$1,514,011; which is \$234,300 less than the 40.9%, but will be due in two years. Ergo, the recommendation is to set aside \$234,300 designated to the 2021 tourism investment.

Since 2010, annual occupancy tax (bed tax) revenue has doubled. The graph below displays the bed tax revenue collections since 2005 and the portion set-aside for Tourism and used for the Town's operations.

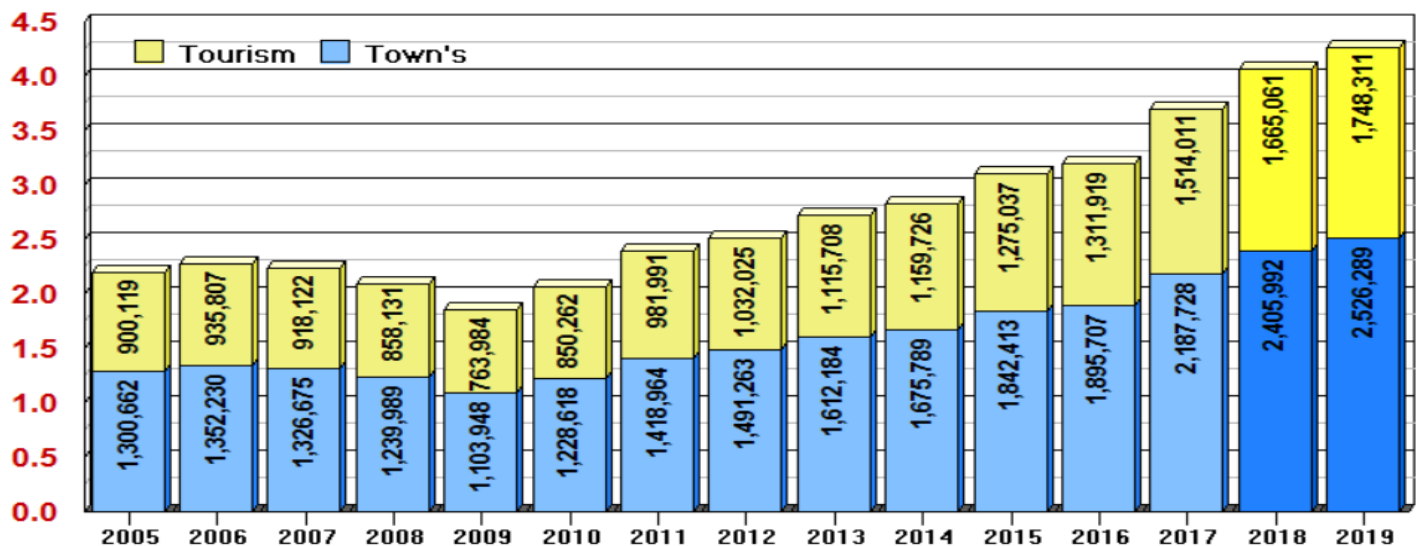
REV Table 4 - Major Revenue: OCCUPANCY (BED) TAX

Revenue	Budget	Projected	Actual	Actual	Actual	Actual
All Sources	2018/19*	2017/18	2016/17	2015/16	2014/15	2013/14
Town's portion	\$ 2,526,289	\$ 2,405,992	\$ 2,187,728	\$ 1,895,707	\$ 1,842,413	\$ 1,675,789
Tourism (Current year) **	1,514,011	1,311,919	1,275,037	1,159,726	1,115,708	1,057,025
Tourism (Subsequent year)***	234,300	353,142	238,974	152,193	159,329	102,701
Total occupancy (bed) tax	\$ 4,274,600	\$ 4,071,053	\$ 3,701,739	\$ 3,207,626	\$ 3,117,450	\$ 2,835,515

* Adopted funding levels for the 2018/19 budget year

** Current year is 40.9% of total revenue two years ago

*** Subsequent is 40.9% of today's revenue



SUMMARY OF SOURCES

STATE SHARED REVENUES

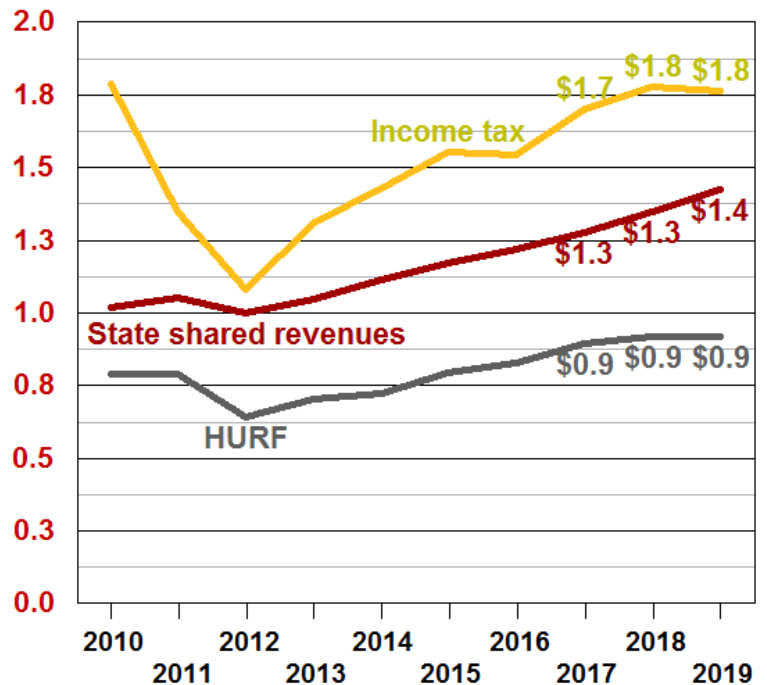
Three (3) revenue sources are part of the “State Shared” revenues: Income tax, Sales tax and HURF. These have been steady and consistent since 2012.

The line graph to the right shows each source’s trend over 10-years (in millions).

Income tax and shared sales tax are considered general revenues for the town’s governmental operations.

HURF has specific restrictions on its use. The town meets those restrictions by using 100% of HURF in the streets department.

The chart and graph below show history of these revenue sources.

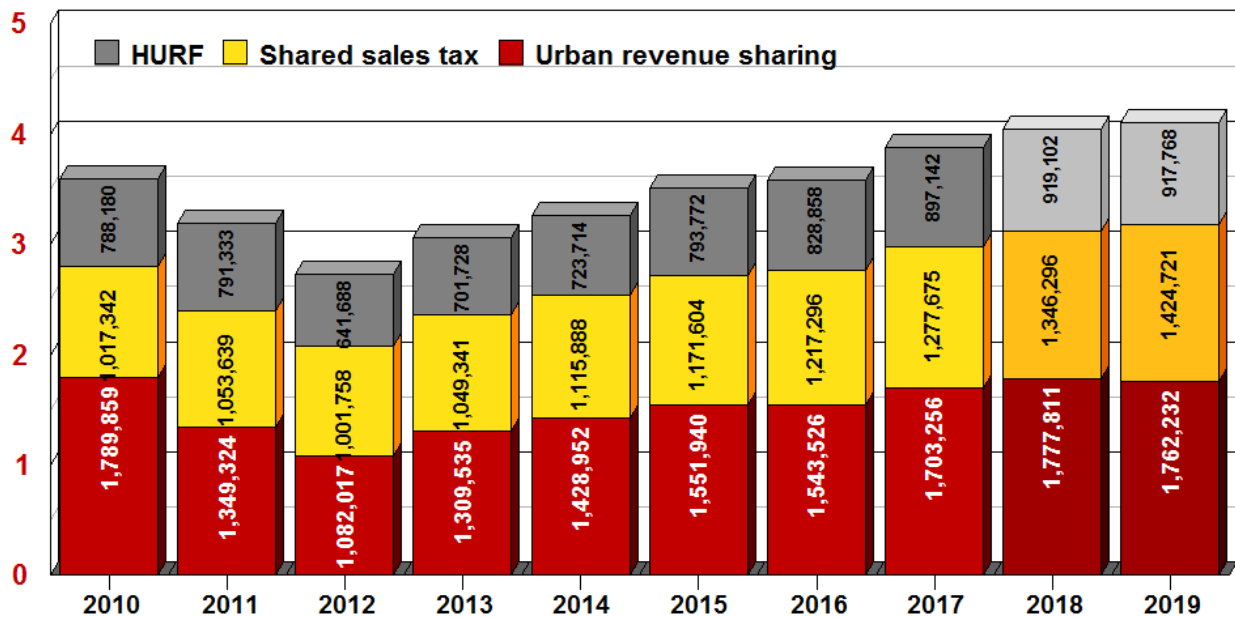


REV Table 5 - Major Revenue: STATE SHARED REVENUE

Revenue	Budget 2018/19*	Projected 2017/18	Actual 2016/17	Actual 2015/16	Actual 2014/15	Actual 2013/14
All Sources						
Income tax	\$ 1,762,232	\$ 1,777,811	\$ 1,703,256	\$ 1,543,526	\$ 1,551,940	\$ 1,428,952
Sales tax	1,424,721	1,346,296	1,277,675	1,217,296	1,171,604	1,115,888
HURF **	917,768	919,102	897,142	828,858	793,772	723,714
Total state shared revenue	\$ 4,104,721	\$ 4,043,209	\$ 3,878,073	\$ 3,589,680	\$ 3,517,316	\$ 3,268,554

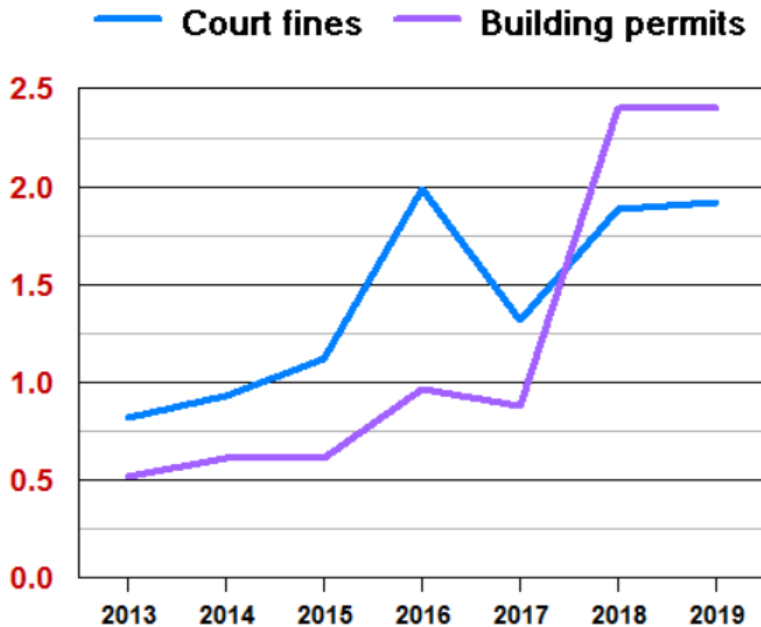
* Adopted funding levels for the 2018/19 budget year

** 2017/18 HURF included one-time funding



SUMMARY OF SOURCES

BUILDING PERMITS & COURT FINES



Building permits and court fines are the two most volatile of the major revenues.

Building permits have dramatically spiked in 2018. But this level of revenue is not expected to be sustained in the long run. It is expected to continue approximately 2-4 years and then taper back the levels of 2013-2015.

Court fines spiked in 2016 and then leveled back to the trend in 2017 and 2018.

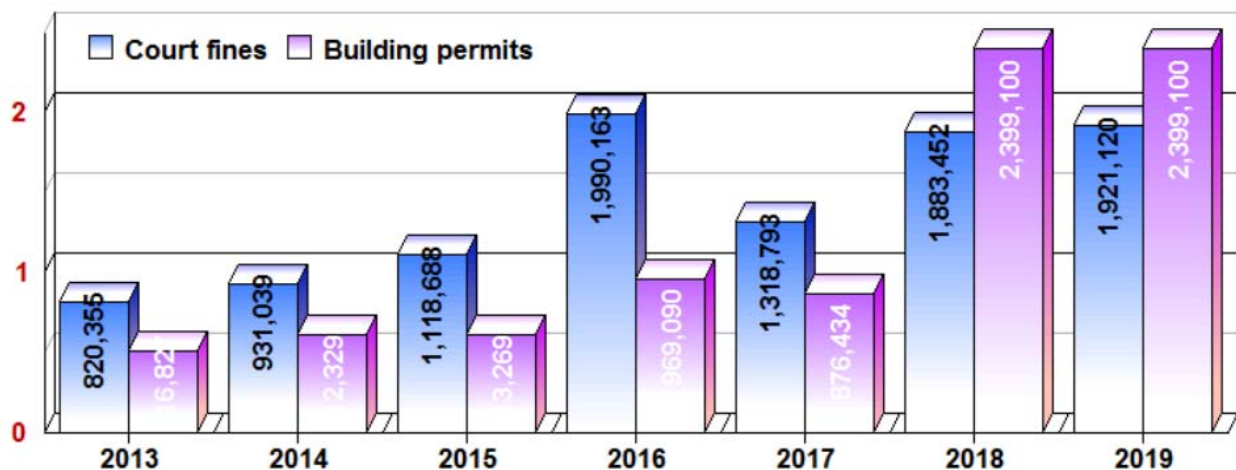
The line graph to the left illustrates each revenues trend since 2013 (in millions).

The graph and chart below show history of these two sources.

REV Table 6 - Major Revenue: OTHER MAJOR REVENUE

Revenue	Budget 2018/19*	Projected 2017/18	Actual 2016/17	Actual 2015/16	Actual 2014/15	Actual 2013/14
All Sources						
Court fines - counter	\$ 1,921,120	\$ 1,883,452	\$ 1,318,793	\$ 1,990,163	\$ 1,118,688	\$ 931,039
Building permits	2,399,100	2,399,100	876,434	969,090	613,269	612,329
Total Other major revenues	\$ 4,320,220	\$ 4,282,552	\$ 2,195,227	\$ 2,959,253	\$ 1,731,957	\$ 1,543,368

* Adopted funding levels for the 2018/19 budget year

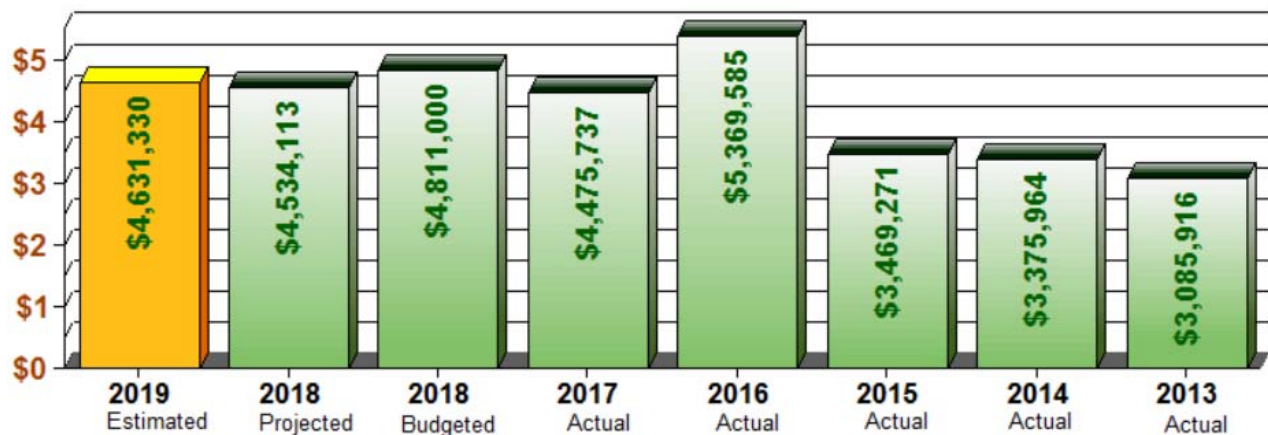


SUMMARY OF SOURCES

NON MAJOR REVENUES

Though non-major revenues are not individually as large as the seven major revenues, they shouldn't be overlooked. The graph and chart below show that total non-major revenue are estimated to **decrease** by \$179,670 (-4%) compared to the 2018 budget; but an **increase** of \$97,217 (2%) compared to current estimates for 2018.

NON-MAJOR REVENUES (in millions)



REV Table 7 - Non-major Revenue: BY CATEGORY

Operating Revenue by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Taxes	\$ 1,029,380	\$ 1,044,000	\$ (14,620)	-1%	\$ 1,028,021	\$ 1,056,547
Intergovernmental	647,950	577,000	70,950	0	618,289	639,339
Fines and forfeitures	804,000	816,000	(12,000)	-1%	799,061	740,849
License and permits	1,340,000	1,064,000	276,000	26%	1,341,928	1,408,964
Rentals and royalties	310,000	610,000	(300,000)	-49%	309,472	307,779
Contributions and donations	400,000	680,000	(280,000)	-41%	281,090	139,576
Interest income	100,000	20,000	80,000	400%	156,252	182,683
Total non-major revenue	\$ 4,631,330	\$ 4,811,000	\$ (179,670)	-4%	\$ 4,534,113	\$ 4,475,737

* Adopted funding levels for the 2018/19 budget year

The following five (5) tables display each of the non-major revenues within their revenue category.

REV Table 8 - Non-major Revenue: TAXES

Revenue All Sources	Budget 2018/19*	Projected 2017/18	Actual 2016/17	Actual 2015/16	Actual 2014/15	Actual 2013/14
APS franchise fee	\$ 630,000	\$ 629,615	\$ 592,752	\$ 629,739	\$ 655,689	\$ 672,323
Cox Com franchise fee	260,000	259,800	241,488	245,137	246,353	244,743
Southwest gas franchise fee	139,000	138,380	221,801	271,024	148,874	142,552
Other taxes	380	226	506	242	(13,659)	-
Total Non-major Taxes	\$ 1,029,380	\$ 1,028,021	\$ 1,056,547	\$ 1,146,142	\$ 1,037,257	\$ 1,059,618

* Adopted funding levels for the 2018/19 budget year

SUMMARY OF SOURCES

REV Table 9 - Non-major Revenue: INTERGOVERNMENTAL

Revenue	Budget	Projected	Actual	Actual	Actual	Actual
All Sources	2018/19*	2017/18	2016/17	2015/16	2014/15	2013/14
Auto lieu tax	\$ 622,950	\$ 593,289	\$ 548,523	\$ 530,413	\$ 490,206	\$ 457,878
\$4 Citing agency - SB1398	25,000	25,000	32,064	50,783	26,572	18,259
Other intergovernmental	-	-	58,752	-	-	-
Total Non-major Intergov.	\$ 647,950	\$ 618,289	\$ 639,339	\$ 581,196	\$ 516,778	\$ 476,137

* Adopted funding levels for the 2018/19 budget year

REV Table 10 - Non-major Revenue: FINES AND FEES

Revenue	Budget	Projected	Actual	Actual	Actual	Actual
All Sources	2018/19*	2017/18	2016/17	2015/16	2014/15	2013/14
Court PD technology fee	\$ 635,000	\$ 632,277	\$ 598,132	\$ 874,787	\$ 405,027	\$ -
Public safety fee	105,000	103,582	90,711	184,781	114,246	85,204
Jail fee reimbursements	10,000	8,706	10,984	10,068	9,257	-
Indigent legal fee reimbursements	-	-	220	1,353	2,382	-
Process service fee - courts	35,000	32,776	7,642	45,764	42,077	22,517
Police impound vehicle	19,000	21,570	32,700	12,000	-	-
Other fines and fees	-	150	460	(5,885)	8,002	-
Total Non-major fines & fees	\$ 804,000	\$ 799,061	\$ 740,849	\$ 1,122,868	\$ 580,991	\$ 107,721

* Adopted funding levels for the 2018/19 budget year ** 2017/18 HURF included one-time funding

REV Table 11 - Non-major Revenue: LICENSE AND PERMITS

Revenue	Budget	Projected	Actual	Actual	Actual	Actual
All Sources	2018/19*	2017/18	2016/17	2015/16	2014/15	2013/14
In-house plan review	\$ 695,000	\$ 688,372	\$ 627,194	\$ 596,726	\$ 496,208	\$ 437,432
Grading permits	55,000	59,680	253,188	80,440	39,395	24,650
Development in lieu	108,000	108,000	108,000	108,000	108,000	108,000
Haul / evacuation permit	75,000	75,038	93,183	103,460	68,186	64,775
Fire marshall	40,000	43,483	71,787	77,434	34,353	36,099
Hillside application fee	150,000	150,772	55,125	42,920	33,700	35,060
Right of way permit	90,000	90,660	50,869	71,991	25,477	13,930
Sub division permit	28,000	27,193	40,923	44,494	29,125	18,085
Special use permit	24,000	24,219	36,480	11,710	30,520	15,871
Other	75,000	74,511	72,215	73,581	56,651	63,822
Non-major Licesnse & permits	\$ 1,340,000	\$ 1,341,928	\$ 1,408,964	\$ 1,210,756	\$ 921,615	\$ 817,724

* Adopted funding levels for the 2018/19 budget year

REV Table 12 - Non-major Revenue: ALL OTHER

Revenue	Budget	Projected	Actual	Actual	Actual	Actual
All Sources	2018/19*	2017/18	2016/17	2015/16	2014/15	2013/14
New Path	\$ 150,000	\$ 150,000	\$ 147,569	\$ 146,343	\$ 146,097	\$ 143,246
Post office rent	87,000	87,000	87,000	87,000	87,000	87,050
Wireless facility	73,000	72,472	73,210	72,360	71,410	67,170
Miscellaneous	400,000	281,090	139,576	737,089	118,092	523,562
LGIP earnings	35,000	56,500	39,342	30,719	19,209	(16,845)
Investments	65,000	99,752	143,341	235,112	70,822	110,581
Non-major Licesnse & permits	\$ 810,000	\$ 746,814	\$ 630,038	\$ 1,308,623	\$ 512,630	\$ 914,764

* Adopted funding levels for the 2018/19 budget year

SUMMARY OF SOURCES

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DEPARTMENTS, DIVISIONS & ENTERPRISES

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GOVERNMENTAL OPERATIONS

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COMMUNITY DEVELOPMENT

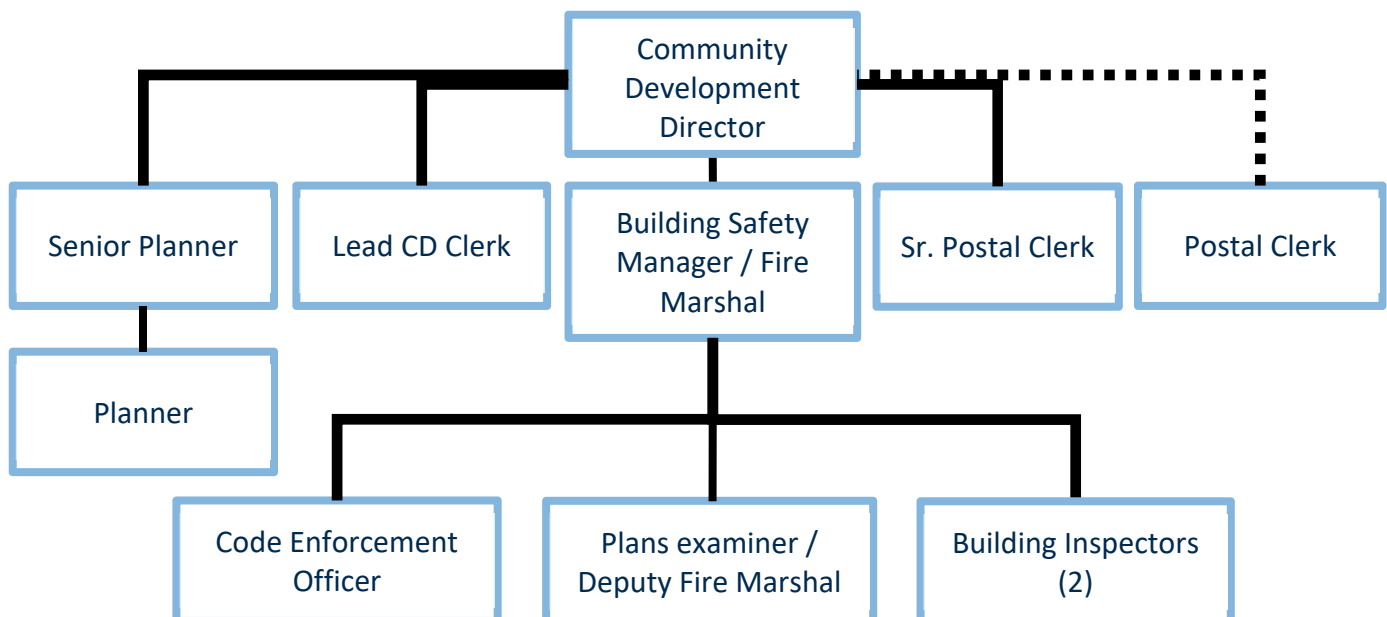
► **MISSION:** To deliver personalized service while providing a comprehensive approach to planning, building, and code enforcement that meets the needs of the community and facilitates responsible, high quality, and well planned development. This development shall enable revitalization of existing resorts and residences while preserving the natural Sonoran Desert environment.

► **VISION:** To enhance the present and future quality of life in Paradise Valley by ensuring an attractive, safe, and well-designed physical environment.

OFFICE PURPOSE & DESCRIPTION

The Department prepares and updates comprehensive plans, processes zoning cases, enforces the zoning code, reviews building and grading plans, conducts inspections, and provides information to the public. It is also responsible for managing the Town's Post Office.

ORGANIZATIONAL CHART



The Community Development Department is managed by the Director; the Director reports to Deputy Town Manager.

Historically, the post office has been part of Community Development and will transition to directly reporting to the Deputy Town Manager.

COMMUNITY DEVELOPMENT



GOALS



- ▶ Preserve the premiere residential character of the community
 - ▶ Provide professional guidance and coordination of all land planning and development activities
 - ▶ Facilitate public participation and awareness of projects
 - ▶ Implement the Town's regulations and policies fairly and consistently
 - ▶ Review all planning and building applications expeditiously
 - ▶ Fulfill the postal needs of our residents
 - ▶ Treat all customers in a respectful and helpful manner
-



HIGHLIGHTS



- ▶ Remodeled Post Office, replaced postal equipment, trained back-up employee. Huge improvement in customer service and auditing
 - ▶ Accela tracking software implemented. All employees trained and building, planning, and code enforcement activities inputted.
 - ▶ Enabled use of credit cards at both the Post Office and Building counters
 - ▶ Mountain Shadows Resort reviewed, inspected, and now open for business
 - ▶ Ritz-Carlton Resort platted, SUP amended, and plan review and construction underway
 - ▶ Granted approvals for improvements to local resorts, such as 45 additional rooms at Sanctuary, accent lighting at Mountain Shadows, and renovated storage/office space and a new entry sign at El Chorro Lodge
 - ▶ Granted approvals for improvements at local private schools, such as a new administration building at Phoenix Country Day School and the new Jones Gordon School
 - ▶ Continued progress on the Walk & Bike Plan and Visually Significant Corridor long-range plans
 - ▶ Continued progress on code amendments, such as the Hillside Building Regulations, and completed revisions to other Quality of Life initiatives including: lighting, noise, property maintenance, and walls and fences
 - ▶ Contributed on interdepartmental teams, including wireless facility code changes to address new legislative action
 - ▶ Granted approvals for new residential developments, such as the 8-lot single-family project at the northwest corner of Scottsdale Rd/Northern Ave
 - ▶ Granted approvals for places of worship, such as adding 5th grade curriculum at Christ Church of the Ascension
-



SERVICE STATS



- ▶ Approximately 700 building permits issued, valued at over \$150,000,000
 - ▶ 86 single family homes permitted
 - ▶ Over 20 land use applications processed
 - ▶ Over 600 violations investigated and resolved
 - ▶ 36 Hillside applications processed
 - ▶ Plan reviews completed in less than 15 business days
 - ▶ Inspection requests completed on the next business day
-

COMMUNITY DEVELOPMENT

STAFFING LEVELS

Staffing levels have remained consistent in 2015/16 and 2016/17. One (1) inspector was added in 2017/18 and no staffing level changes for the 2018/19 budget. Table 1 below displays the department's positions by classification; and Table 2 shows the positions by service.

CD Table 1 - Authorized positions by CLASSIFICATION				
POSITION CLASSIFICATION	2018/19*	2017/18	2016/17	2015/16
Community development director	1.0	1.0	1.0	1.0
Senior planner	1.0	1.0	1.0	1.0
Planner	1.0	1.0	1.0	1.0
Lead planning & building clerk	1.0	1.0	1.0	1.0
Senior postal clerk	1.0	1.0	1.0	1.0
Postal clerk	1.0	1.0	1.0	1.0
Building safety manager / fire marshal	1.0	1.0	1.0	1.0
Plans examiner	1.0	1.0	1.0	1.0
Building & zoning inspector	2.0	2.0	1.0	1.0
Code enforcement officer	1.0	1.0	1.0	1.0
Total full time equivalents	11.0	11.0	10.0	10.0
Inspector (temp FT)	-	-	1.0	-

CD Table 2 - Authorized positions by PRIMARY FUNCTION				
PRIMARY FUNCTION**	2018/19*	2017/18	2016/17	2015/16
Building	5.0	5.0	4.0	4.0
Planning	4.0	4.0	4.0	4.0
Post office	2.0	2.0	2.0	2.0
Total full time equivalents	11.0	11.0	10.0	10.0
** the CD Director is listed in Planning				

FUNDING LEVELS

Funding for Community development consists solely of General resources. Funding is budgeted to **increase by \$55,831 (3%)**.

CD Table 3 - Funding by Source						
Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
General Fund	\$1,698,626	\$1,642,795	\$ 55,831	3%	\$1,600,717	\$1,279,531
Total Sources	\$1,698,626	\$1,642,795	\$ 55,831	3%	\$1,600,717	\$1,279,531

* Adopted funding levels for the 2018/19 budget year

COMMUNITY DEVELOPMENT

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COMMUNITY DEVELOPMENT

EXPENDITURES

The Community development adopted budget of \$1,698,626 is \$55,831 or 3% more than the prior fiscal year. This results primarily from changes in:

Personnel: The net increase of \$16,309 or 1% is attributed to the Town-wide adjustments in salary and benefits.

Supplies and services: The net increase of \$55,691 or 16% is comprised of increases in professional services (\$29,940), the postage meter (\$40,000), publications (\$2,400) and liability insurance (\$2,197) and is offset with various line item decreases.

Capital: There is no recommended capital this year which results in a decrease of \$25,000 or -100% as compared to last fiscal year 2017/18.

CD Table 4 - Expenditures by CATEGORY						
EXPENDITURES BY CATEGORY	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Total Personnel	\$1,225,104	\$1,208,795	\$ 16,309	1%	\$1,209,113	\$1,112,167
Supplies & Services Professional services	161,440	131,500	29,940	23%	121,000	31,221
Liability insurance	48,197	46,000	2,197	5%	46,567	41,822
Travel and training	12,900	14,200	(1,300)	-9%	8,500	8,297
Miscellaneous	10,000	10,800	(800)	-7%	243	2,765
Post office meter cost	170,000	130,000	40,000	31%	170,000	6,525
Publications	3,000	600	2,400	400%	-	187
Other supplies & services	67,985	75,900	(7,915)	-10%	24,294	76,547
Total Supplies & Services	473,522	409,000	64,522	16%	370,604	167,364
Total Capital	-	25,000	(25,000)	-100%	21,000	-
Total Expenditures	\$1,698,626	\$1,642,795	\$ 55,831	3%	\$1,600,717	\$1,279,531

* Adopted funding levels for the 2018/19 budget year

There are three primary functions (cost centers) in Community Development for budgetary purposes.

CD Table 5 - Expenditures by PRIMARY FUNCTION						
PRIMARY FUNCTION	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Building	\$ 766,887	\$ 788,091	\$ (21,204)	-3%	\$ 756,861	\$ 602,537
Planning	761,739	724,704	37,035	5%	673,856	670,469
Post office (meter only)	170,000	130,000	40,000	31%	170,000	6,525
Total Expenditures	\$1,698,626	\$1,642,795	\$ 55,831	3%	\$1,600,717	\$1,279,531

* Adopted funding levels for the 2018/19 budget year

COMMUNITY DEVELOPMENT

LINE ITEMS (DETAIL) - BUILDING

CD Table 6 - Line item expenditures: BUILDING

10-47-ID		2016/17	2017/18		2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in Amount %
100	SALARIES AND WAGES	\$ 340,641	\$ 411,124	\$ 407,600	\$ 419,600	\$ 419,238	\$ (362) 0%
105	OVERTIME	8,622	3,388	4,000	4,000	4,000	- 0%
115	EMPLOYEE BENEFITS-FICA	26,493	31,760	31,100	33,100	31,791	(1,309) -4%
120	EMPLOYEE BENEFITS-RETIREMENT	38,574	53,326	47,600	50,692	50,645	(47) 0%
125	EMPLOYEE BENEFITS-WORKERS COMI	9,294	10,882	8,100	8,100	8,306	206 3%
130	EMPLOYEE BENEFITS-MED/DENTAL	40,190	46,139	50,400	46,139	51,663	5,524 12%
131	Short term disability	-	-	-	-	3,174	3,174 n/a
135	EMPLOYEE BENEFITS-DISABIL/LIFE	2,296	1,770	2,700	2,700	2,702	2 0%
160	EMPLOYEE BENEFITS-CLOTHING	1,856	1,697	2,000	2,000	1,900	(100) -5%
161	EMPLOYEE BENEFIT - CELL PHONE	4,845	4,250	5,500	5,500	5,100	(400) -7%
191	EMPLOYEE BENEFITS-401A MATCH	245	6,313	-	6,760	6,760	- 0%
186	HSA	16,890	8,400	20,200	9,100	9,100	- 0%
TOTAL PERSONNEL		489,946	579,049	579,200	587,691	594,379	6,688 1%
327	EMERGENCY MANAGEMENT	1,579	3,064	6,200	6,200	4,100	(2,100) -34%
330	GENERAL PROFESSIONAL SERVICES	29,763	121,000	121,000	121,000	121,000	- 0%
375	TEMPORARY LABOR	53,832	-	-	-	-	- n/a
420	EXPENDABLE TOOLS	-	1,000	1,000	1,000	1,000	- 0%
435	GAS & OIL	4,104	2,270	6,000	6,000	3,000	(3,000) -50%
465	OFFICE SUPPLIES	1,535	2,000	2,000	2,000	2,000	- 0%
485	PRINTING	191	2,000	2,000	2,000	2,000	- 0%
495	SAFETY EQUIPMENT SUPPLIES	-	318	-	-	500	500 n/a
540	LIABILITY INSURANCE	16,729	21,167	21,000	21,000	21,908	908 4%
565	CAR WASHES	16	-	-	-	-	- n/a
675	DUES	310	500	500	500	500	- 0%
770	STAFF TRAINING	1,580	3,000	3,000	3,000	3,000	- 0%
790	SUBSCRIPTIONS & PUBLICATIONS	187	-	600	600	3,000	2,400 400%
815	TRAINING TRAVEL	-	250	1,300	1,300	500	(800) -62%
840	MISCELLANEOUS	2,765	243	35,800	10,800	10,000	(800) -7%
TOTAL SUPPLIES & SERVICES		112,591	156,812	200,400	175,400	172,508	(2,892) -2%
Vehicle		-	21,000	-	25,000	-	(25,000) n/a
TOTAL CAPITAL OUTLAY		-	21,000	-	25,000	-	(25,000) n/a
1	TOTAL	\$602,537	\$756,861	\$779,600	\$788,091	\$ 766,887	\$ (21,204) -3%

COMMUNITY DEVELOPMENT

LINE ITEMS (DETAIL) - PLANNING

CD Table 7 - Line item expenditures: PLANNING

10-48-ID		2016/17	2017/18			2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in	
							Amount	%
100	SALARIES AND WAGES	\$456,576	\$469,302	\$ 452,300	\$468,300	\$ 468,495	\$ 195	0%
105	OVERTIME	6,693	13,610	6,000	6,000	12,000	6,000	100%
115	EMPLOYEE BENEFITS-FICA	33,837	34,893	34,100	35,100	35,715	615	2%
120	EMPLOYEE BENEFITS-RETIREMENT	51,141	59,632	52,600	56,370	50,768	(5,602)	-10%
125	EMPLOYEE BENEFITS-WORKERS COMP	1,523	1,706	1,200	1,200	1,293	93	8%
130	EMPLOYEE BENEFITS-MEDICAL	51,661	40,214	42,800	40,214	44,780	4,566	11%
131	Short term disability	-	-	-	-	3,559	3,559	n/a
135	EMPLOYEE BENEFITS-DISABIL/LIFE	2,916	386	2,700	2,700	2,915	215	8%
160	EMPLOYEE BENEFITS-CLOTHING	-	-	200	200	200	-	0%
161	EMPLOYEE BENEFIT - CELL PHONE	1,495	1,150	1,400	1,400	1,380	(20)	-1%
191	DEFERRED COMPENSATION-457	158	4,371	-	4,420	4,420	-	0%
186	EMPLOYEE BENEFITS - H S A	16,220	4,800	14,800	5,200	5,200	-	0%
TOTAL PERSONNEL		622,221	630,064	608,100	621,104	630,725	9,621	2%
330	GENERAL PROFESSIONAL SERVICES	1,458	-	10,500	10,500	40,400	29,900	285%
375	TEMPORARY HELP	-	2,303	2,500	2,500	2,500	-	0%
465	OFFICE SUPPLIES	1,893	2,000	3,000	3,000	2,000	(1,000)	-33%
485	PRINTING	195	300	300	300	300	-	0%
540	LIABILITY INSURANCE	25,093	25,400	25,000	25,000	26,289	1,289	5%
670	MEALS	406	500	500	500	600	100	20%
675	DUES	1,441	1,639	2,000	2,000	1,675	(325)	-16%
685	POST OFFICE SUPPLIES, MISC	7,975	5,000	-	45,000	45,000	-	0%
720	LEGAL ADVERTISING	-	-	2,000	2,000	-	(2,000)	n/a
725	MILEAGE-MISCELLANEOUS TRAVEL	-	-	600	600	-	(600)	n/a
750	POST OFFICE METER COST	6,525	170,000	380,000	130,000	170,000	40,000	31%
770	STAFF TRAINING	2,445	2,000	3,200	3,200	2,800	(400)	-13%
790	SUBSCRIPTIONS & PUBLICATIONS	-	200	200	200	200	-	0%
815	TRAINING TRAVEL	4,272	3,250	6,700	6,700	6,600	(100)	-1%
840	MISCELLANEOUS	339	100	100	100	150	50	50%
845	BOARDS AND COMMISSION EXPENSES	53	100	1,000	1,000	1,500	500	50%
863	COMPUTER HARDWARE	1,637	-	-	-	-	-	n/a
866	OFFICE FURNITURE & FIXTURES	1,041	1,000	1,000	1,000	1,000	-	0%
TOTAL SUPPLIES & SERVICES		54,773	213,792	438,600	233,600	301,014	67,414	29%
TOTAL CAPITAL OUTLAY		-	-	-	-	-	-	n/a
TOTAL		\$676,994	\$843,856	\$1,046,700	\$854,704	\$ 931,739	\$ 77,035	9%

COMMUNITY DEVELOPMENT

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ENGINEERING

► **MISSION:** The Town of Paradise Valley's Engineering Department is dedicated to maintaining and improving the quality of the community through economically sound infrastructure preservation and enhancement while providing customer-focused, innovative, efficient and reliable municipal service to our residents.

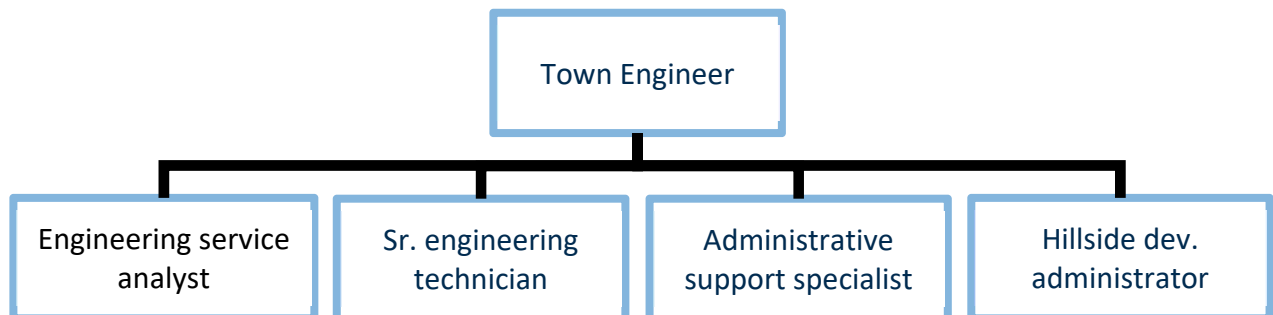
► **VISION:** Engineering strives to be a leading organization helping to preserve a vibrant, innovative, world-class community. This is accomplished by meeting or exceeding resident needs through accountability, fairness, consistency, and increased communication. We will maintain and improve existing infrastructure in an effective manner. We are committed to supporting a positive work environment in which employees can share in the overall health, safety and welfare of the community.

OFFICE PURPOSE & DESCRIPTION

The Engineering department provides many of the services that affect the daily lives of those who live and work in the town. Primarily, the department is responsible for the plan review and inspection of residential and resort properties related to grading & drainage as well as infrastructure. The department is also responsible for the planning and implementation of the capital improvement program and facilitation of the hillside development process. Some of the department's activities include:

- Capital Improvement Program planning and implementation;
- Development and Right-of-Way Plan review and inspection;
- Long range planning for Town infrastructure; and
- Hillside development process.

ORGANIZATIONAL CHART



The Engineering Department is managed by the Town Engineer;
the Town Engineer reports to the Town Manager.

ENGINEERING



GOALS



- ▶ Complete sewer assessments per the updated IGA with the City of Scottsdale
- ▶ Conduct inspection services for resort development
- ▶ Continue design and construction of the Ritz Carlton roadway and sidewalk projects
- ▶ Complete construction of the SRP Keim District electrical undergrounding
- ▶ Complete construction of the Doubletree Ranch Road improvements



HIGHLIGHTS



- ▶ Completion of the Police Communication Tower
- ▶ Installation of updated video detection systems at signalized intersections
- ▶ Approval of ADEQ MS4 Permit
- ▶ Completion of the APS District 30 electrical undergrounding
- ▶ Adoption of the Storm Drainage Design Manual



STAFFING LEVELS



Staffing levels have remained consistent from 2015/16 through 2017/18. One (1) Hillside development administrator is being created in the 2018/19 budget to primarily focus on Hillside development. Table 1 below displays the department's positions by classification.

ENG Table 1 - Authorized positions by CLASSIFICATION				
POSITION CLASSIFICATION	2018/19	2017/18	2016/17	2015/16
Town engineer	1.0	1.0	1.0	1.0
Engineering service analyst	1.0	1.0	1.0	1.0
Sr. engineering technician	1.0	1.0	1.0	1.0
Hillside development administrator	1.0	0.0	0.0	0.0
Administrative support specialist	1.0	1.0	1.0	1.0
Total full time equivalents	5.0	4.0	4.0	4.0

ENGINEERING

FUNDING LEVELS

Funding for Engineering consists of General resources and the Wastewater enterprise. Overall, funding is recommended to **increase by \$197,260 (35%)**.

ENG Table 2 - Funding by Source

Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
General Fund	\$ 737,605	\$ 527,345	\$ 210,260	40%	\$ 453,273	\$ 461,487
Enterprises**	34,600	34,600	-	0%	34,600	52,379
Total Sources	\$ 772,205	\$ 561,945	\$ 210,260	37%	\$ 487,873	\$ 513,866

* Adopted funding levels for the 2018/19 budget year ** Engineering provides services to Wastewater (enterprise)

EXPENDITURES

The Engineering recommended budget of \$772,205 is \$210,260 or 37% more than the prior fiscal year. This results primarily from changes in:

Personnel: The net increase of \$138,933 or 30% covers Town-wide adjustments in salaries and benefits; and the recommended addition of one (1) Hillside development administrator position.

Supplies and services: The net increase of \$71,327 or 68% is primarily due to additional outside professional services related to hillside development, GIS and the Tatum Blvd. traffic signal timing study.

ENG Table 3 - Expenditures by CATEGORY

EXPENDITURES BY CATEGORY	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Total Personnel	\$ 595,978	\$ 457,045	\$ 138,933	30%	\$ 417,624	\$ 344,918
Professional services	130,000	60,000	70,000	117%	36,033	137,579
Liability insurance	17,527	16,400	1,127	7%	16,934	16,729
Travel and training	8,000	8,000	-	0%	2,700	2,294
NPA/NPDES Compliance	6,500	11,000	(4,500)	-41%	10,000	5,000
Other supplies & services	14,200	9,500	4,700	49%	4,582	7,346
Total Supplies & Services	176,227	104,900	71,327	68%	70,249	168,948
Total Capital	-	-	-	n/a	-	-
Total Expenditures	\$ 772,205	\$ 561,945	\$ 210,260	37%	\$ 487,873	\$ 513,866

* Adopted funding levels for the 2018/19 budget year

ENGINEERING

LINE ITEMS (DETAIL)

ENG Table 4 - Line item expenditures

10-49-ID		2016/17	2017/18		2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in Amount %
100	SALARIES AND WAGES	\$251,616	\$328,396	\$337,300	\$330,300	\$431,881	\$101,581 31%
115	EMPLOYEE BENEFITS-FICA	18,774	24,560	24,900	25,900	31,483	5,583 22%
120	EMPLOYEE BENEFITS-RETIREMENT	24,713	41,288	39,100	38,763	49,503	10,740 28%
125	EMPLOYEE BENEFITS-WORKERS C	5,225	7,654	13,000	13,000	15,844	2,844 22%
130	EMPLOYEE BENEFITS-MED/DENTAL	28,617	-	44,600	29,622	45,643	16,021 54%
135	EMPLOYEE BENEFITS-DISABIL/LIFE	1,964	997	2,200	2,200	3,325	1,125 51%
136	Short term disability					3,142	3,142 n/a
160	EMPLOYEE BENEFITS-CLOTHING	-	276	1,200	1,200	2,470	1,270 106%
161	EMPLOYEE BENEFIT - CELL PHONE	1,955	2,300	2,800	2,800	3,847	1,047 37%
191	DEFERRED COMPENSATION-457	198	4,953	-	5,460	3,640	(1,820) -33%
186	HSA	11,855	7,200	15,800	7,800	5,200	(2,600) -33%
TOTAL PERSONNEL		344,918	417,624	480,900	457,045	595,978	138,933 30%
205	CELLULAR PHONE CHARGES	335	143	400	400	400	- 0%
330	GENERAL PROFESSIONAL SERVICE	137,579	36,033	60,000	60,000	130,000	70,000 n/a
335	NPA/NPDES COMPLIANCE (engineer)	5,000	10,000	11,000	11,000	6,500	(4,500) -41%
415	COMPUTER SUPPLIES	-	-	500	500	500	- 0%
435	GAS & OIL	488	394	1,500	1,500	1,500	- 0%
465	OFFICE SUPPLIES	1,150	1,570	1,400	1,400	1,400	- 0%
485	PRINTING	2,433	2,476	2,600	2,600	7,000	4,400 n/a
540	LIABILITY INSURANCE	16,729	16,934	16,400	16,400	17,527	1,127 7%
675	DUES	2,468	-	1,700	1,700	1,700	- 0%
720	LEGAL ADVERTISING	-	-	200	200	500	300 n/a
770	STAFF TRAINING	875	1,200	6,000	6,000	6,000	- 0%
790	SUBSCRIPTIONS & PUBLICATIONS	473	-	800	800	800	- 0%
815	TRAINING TRAVEL	1,419	1,500	2,000	2,000	2,000	- 0%
840	MISCELLANEOUS	-	-	400	400	400	- 0%
TOTAL SUPPLIES & SERVICES		168,948	70,249	104,900	104,900	176,227	71,327 68%
TOTAL CAPITAL OUTLAY		-	-	-	-	-	- n/a
TOTAL		\$ 513,867	\$ 487,873	\$ 585,800	\$ 561,945	\$ 772,205	\$ 210,260 37%

FINANCE DIVISION

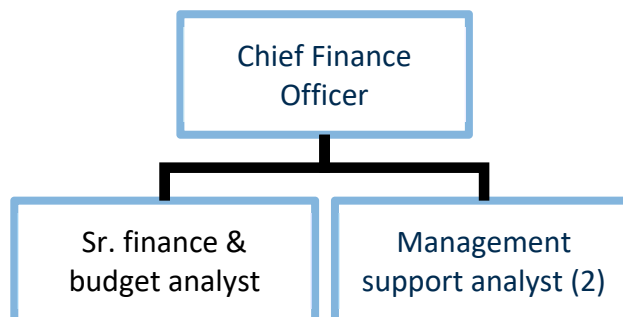
► MISSION:

To provide our customers, both internal and external, with professional, courteous, and reliable services that are timely, accurate and valuable; while improving the efficiency and effectiveness of the division and its related functions in furnishing support, training, and financial information pertinent to determine the financial position of the Town that is interesting, relevant and user friendly.

► OFFICE PURPOSE & DESCRIPTION

The Finance Division is a full service financial office. The Division maintains the Town's financial systems and fiscal controls over cash and investments, capital assets, payroll, accounts payable, procurement, cash receipts, debt and risk management, and alarm, fire and wastewater service billings & collections. Staff coordinates the Town's annual financial audit and prepare financial statements. The Division also coordinates the annual budget process, including long-range financial planning and internal and external financial performance reporting.

► ORGANIZATIONAL CHART



The Finance Division is managed by the Chief Finance Officer; the Chief reports to the Town Manager.

FINANCE DIVISION

STAFFING LEVELS

Staffing levels have remained consistent from 2015/16 through 2017/18. There are no staffing level changes in the 2018/19 budget. Table 1 below displays the division's positions, by classification.

FIN Table 1 - Authorized positions by CLASSIFICATION				
POSITION CLASSIFICATION	2018/19	2017/18	2016/17	2015/16
Director of admin & gov't affairs	-	-	1.0	1.0
Chief finance officer	1.0	1.0	-	-
Management support analyst	2.0	2.0	2.0	-
Sr. finance & budget analyst	1.0	1.0	1.0	1.0
Accounting specialist	-	-	-	2.0
Total full time equivalents	4.0	4.0	4.0	4.0

FUNDING LEVELS

Funding for the Finance Division consists of General resources and the Alarm, Fire and Wastewater enterprises. Overall, funding is anticipated to **decrease by \$178,035 (-19%)**.

FIN Table 2 - Funding by Source						
Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
General Fund	\$ 570,652	\$ 748,687	\$ (178,035)	-24%	\$ 630,429	\$ 641,255
Enterprises	203,400	203,400	-	0%	203,400	197,603
Total Sources	\$ 774,052	\$ 952,087	\$ (178,035)	-19%	\$ 833,829	\$ 838,858

* Adopted funding levels for the 2018/19 budget year ** Finance provides services to Alarm, Fire and Wastewater (enterprise)

FINANCE DIVISION

► EXPENDITURES ◀

Table 6 below displays total expenditures by CATEGORY (Personnel, Supplies & Services and Capital) with a mid-level grouping of major line items.

FIN Table 3 - Expenditures by CATEGORY						
EXPENDITURES BY CATEGORY		Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18
						Actual 2016/17
Total Personnel		\$ 466,069	\$ 458,587	\$ 7,482	2%	\$ 446,650
Supplies & Services	Professional services	103,315	286,400	(183,085)	-64%	286,400
	Liability insurance	22,819	21,000	1,819	9%	22,047
	Travel and training	12,400	18,600	(6,200)	-33%	14,771
	Processing fees	99,854	95,400	4,454	5%	93,268
	Printing	26,000	26,000	-	0%	25,170
	Other supplies & services	43,595	46,100	(2,505)	-5%	(54,477)
Total Supplies & Services		307,983	493,500	(185,517)	-38%	387,179
Total Capital		-	-	-	n/a	-
Total Expenditures		\$ 774,052	\$ 952,087	\$ (178,035)	-19%	\$ 833,829
		* Adopted funding levels for the 2018/19 budget year				

As illustrated in Table 6, the budget of \$774,052 is \$178,035 or -19% less than the prior fiscal year. This results primarily from changes in:

Personnel: The net increase of \$7,482 (2%) covers Town-wide adjustments to salaries and benefits.

Supplies and services: The net decrease of \$(185,517) or (-38%) is primarily due to a reduction of professional services and other line items as part of separating legislative affairs from the Division. The increase in processing fees and insurance are part of aligning budgets with costs.

FINANCE DIVISION

LINE ITEMS (DETAIL)

FIN Table 4 - Line item expenditures

10-46-ID		2016/17	2017/18			2018/19 Adopted		
		Prior Year	Year end	Budget	Budget	Budget	Change in	
ID	Account Title	Actual	Projected	Original	Amended	2018/19	Amount	%
100	SALARIES AND WAGES	336,376	326,217	413,000	317,115	333,751	16,636	5%
105	OVERTIME	4,787	753	9,000	9,000	800	(8,200)	-91%
115	EMPLOYEE BENEFITS-FICA	24,372	24,018	31,000	24,774	25,022	248	1%
120	EMPLOYEE BENEFITS-RETIREMENT	38,049	39,135	48,800	39,458	39,915	457	1%
125	EMPLOYEE BENEFITS-WORKERS COM	1,005	906	1,100	1,100	898	(202)	-18%
130	EMPLOYEE BENEFITS-MED/DENTAL	42,328	41,360	54,700	41,360	42,840	1,480	4%
135	EMPLOYEE BENEFITS-DISABIL/LIFE	2,015	379	3,000	3,000	2,080	(920)	-31%
136	Short term disability	-	-	-	-	2,503	2,503	n/a
161	EMPLOYEE BENEFIT - CELL PHONE	2,600	1,545	2,500	2,500	2,400	(100)	-4%
191	EMPLOYEE BENEFITS-401A MATCH	245	4,937	-	8,580	6,760	(1,820)	-21%
186	HSA	16,211	6,400	20,200	11,700	9,100	(2,600)	-22%
TOTAL PERSONNEL		467,986	445,650	583,300	458,587	466,069	7,482	2%
325	FINANCIAL AUDITORS	34,635	30,735	31,000	31,000	31,000	-	0%
330	GENERAL PROFESSIONAL SERVICES	167,447	186,400	286,400	286,400	103,315	(183,085)	-64%
336	EF CREDIT CARD PROCESSING	17,338	22,089	16,300	16,300	23,679	7,379	45%
337	GG CREDIT CARD PROCESSING	154	9,806	-	-	10,000	10,000	n/a
338	GG CREDIT CARD SERVICE FEE	60	549	-	-	550	550	n/a
339	BANK SERVICE CHARGES	56,220	32,400	50,000	50,000	35,000	(15,000)	-30%
370	PAYROLL PROCESS SERVICE	28,139	28,424	29,100	29,100	30,625	1,525	5%
465	OFFICE SUPPLIES	2,916	3,927	5,000	5,000	5,000	-	0%
485	PRINTING-LTRHD-ENV.	21,524	25,170	26,000	26,000	26,000	-	0%
540	LIABILITY INSURANCE	17,037	22,047	21,000	21,000	22,819	1,819	9%
670	LUNCHEONS, DINNERS, ETC.	595	1,309	1,500	1,500	600	(900)	-60%
675	DUES	1,599	2,180	2,400	2,400	1,695	(705)	-29%
685	POSTAGE MACHINE RENT & SUPPLY	(92)	1,725	-	-	1,800	1,800	n/a
720	LEGAL ADVERTISING	2,922	-	-	-	-	-	n/a
725	MILEAGE-MISCELLANEOUS TRAVEL	1,683	1,400	1,500	1,500	1,500	-	0%
770	STAFF TRAINING	8,074	6,236	9,500	9,500	5,900	(3,600)	-38%
790	SUBSCRIPTIONS & PUBLICATIONS	5,096	4,162	3,200	3,200	1,500	(1,700)	-53%
815	TRAINING TRAVEL	5,519	8,535	9,100	9,100	6,500	(2,600)	-29%
840	MISCELLANEOUS	6	86	1,500	1,500	500	(1,000)	-67%
TOTAL SUPPLIES & SERVICES		370,872	387,179	493,500	493,500	307,983	(185,517)	-38%
TOTAL CAPITAL OUTLAY		-	-	-	-	-	-	n/a
TOTAL		\$838,858	\$ 832,829	\$1,076,800	\$ 952,087	\$ 774,052	\$(178,035)	-19%

IT DIVISION

► **MISSION:** To provide the resources, infrastructure, and applications for internal staff and residents to securely store, access and work with the town's information.

► **VISION:** Technology systems provide accurate information to any authorized user; whenever, wherever and in whatever format the users required to be useful.

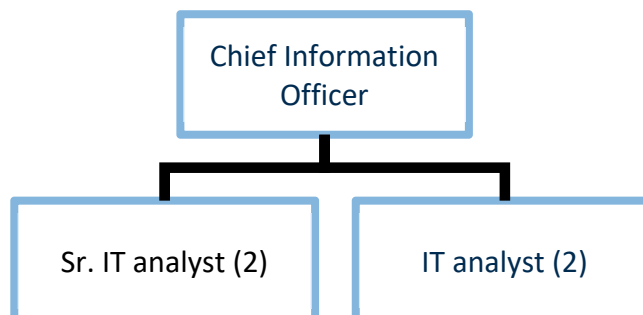
OFFICE PURPOSE & DESCRIPTION

Information Technology (IT) manages and maintains the Town's digital systems to ensure integrity and security of the information maintained within. Information is useful when it can provide value to our customers. Computers, network systems and applications, public safety smart technology, geographic information systems (GIS), telephone and voicemail systems, and internet and e-mail functionally are some specific systems designed, deployed and supported by IT to provide customer value.

The three business functional areas of IT are:

- Infrastructure support;
- Application support, and
- Business system support.

ORGANIZATIONAL CHART



The IT Division is managed by the Chief Information Officer; the Chief reports to the Deputy Town Manager.

IT DIVISION

STAFFING LEVELS

Staffing levels have remained consistent through 2016/17. With the onset of higher demands for services, including GIS, one (1) additional Sr. information technology analyst position is being added with the 2018/19 budget. This position will assist in centralizing staffing for GIS and other programs to the Information Technology division, rather than decentralized among various departments. Table 1 below displays the division's positions by classification.

IT Table 1 - Authorized positions by CLASSIFICATION				
POSITION CLASSIFICATION	2018/19	2017/18	2016/17	2015/16
Chief information officer	1.0	1.0	-	-
Sr. information technology analyst	2.0	1.0	1.0	1.0
Information technology analyst	2.0	2.0	2.0	2.0
Total full time equivalents	5.0	4.0	3.0	3.0

The graph and "Table 2" show the positions by service function.

IT Table 2 - Authorized positions by PRIMARY FUNCTION				
PRIMARY FUNCTION*	2018/19	2017/18	2016/17	2015/16
Business system support	3.0	3.0	2.0	2.0
Infrastructure support	0.9	1.0	1.0	1.0
GIS support	1.1	-	-	-
Total full time equivalents	5.0	4.0	3.0	3.0

* the CIO is allocated evenly among functions

FUNDING LEVELS

Funding for the Information Technology Division consists of General resources and the Alarm, Fire and Wastewater enterprises. Overall, funding is budgeted to **increase by \$83,870 (5%)**.

IT Table 3 - Funding by Source						
Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
General Fund	\$1,711,521	\$1,627,651	\$ 83,870	5%	\$1,570,746	\$1,077,280
Enterprises	61,600	61,600	-	0%	61,600	11,391
Total Sources	\$1,773,121	\$1,689,251	\$ 83,870	5%	\$1,632,346	\$1,088,671

* Adopted funding levels for the 2018/19 budget year ** Information Technology provides services to Alarm, Fire and Wastewater (enterprise)

IT DIVISION

► EXPENDITURES ◀

Table 6 below displays total expenditures by CATEGORY (Personnel, Supplies & Services and Capital) with a mid-level grouping of major line items.

IT Table 4 - Expenditures by CATEGORY						
EXPENDITURES BY CATEGORY		Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18
						Actual 2016/17
Total Personnel		\$ 601,344	\$ 449,651	\$ 151,693	34%	\$ 392,329
Supplies & Services	Professional services	94,100	99,100	(5,000)	-5%	99,130
	Liability insurance	13,145	12,500	645	5%	12,700
	Travel and training	15,215	16,000	(785)	-5%	16,000
	Software & maint. contract	715,619	772,200	(56,581)	-7%	772,200
	Hardware & equipment	308,544	324,400	(15,856)	-5%	324,617
	Other supplies & services	25,154	15,400	9,754	63%	15,370
Total Supplies & Services		1,171,777	1,239,600	(67,823)	-5%	1,240,017
Total Capital		-	-	-	n/a	-
Total Expenditures		\$1,773,121	\$1,689,251	\$ 83,870	5%	\$1,632,346
* Adopted funding levels for the 2018/19 budget year						

As illustrated in Table 6, the budget of \$1,773,121 is \$83,870 or 5% more than the prior fiscal year. This results primarily from changes in:

Personnel: The net increase of \$151,693 (34%) covers Town-wide adjustments to salaries and benefits and the addition of one (1) Sr. information technology analyst. Last year the CIO position was created and funded for a portion of the year. This fiscal year the CIO is funded for the entire year.

Supplies and services: The net decrease of \$67,823 (-5%) is primarily due to a decrease in costs for software deployments and retirement of some software maintenance contracts.

IT DIVISION

LINE ITEMS (DETAIL)

IT Table 5 - Line item expenditures

10-52-ID		2016/17	2017/18		2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in Amount %
100	SALARIES AND WAGES	\$ 229,908	\$ 288,878	\$ 229,700	\$ 327,700	\$ 428,047	\$100,347 31%
115	EMPLOYEE BENEFITS-FICA	17,209	17,558	17,400	24,400	31,947	7,547 31%
120	EMPLOYEE BENEFITS-RETIREMEN	25,704	29,595	26,800	38,810	51,316	12,506 32%
125	EMPLOYEE BENEFITS-WORKERS C	768	839	600	600	1,153	553 92%
130	EMPLOYEE BENEFITS-MED/DENTA	32,117	42,201	32,000	42,201	61,529	19,328 46%
135	EMPLOYEE BENEFITS-DISABIL/LIF	1,204	143	1,700	1,700	2,758	1,058 62%
136	Short term disability	-	-	-	-	3,214	3,214 n/a
161	EMPLOYEE BENEFIT - CELL PHONE	2,990	2,392	2,800	2,800	5,520	2,720 97%
191	EMPLOYEE BENEFITS-401A MATCH	178	4,483	-	4,940	6,760	1,820 37%
186	HSA	11,690	6,240	11,400	6,500	9,100	2,600 40%
TOTAL PERSONNEL		321,767	392,329	322,400	449,651	601,344	151,693 34%
200	TELEPHONE	-	-	-	-	9,100	9,100 n/a
290	SOFTWARE MAINTENANCE CONT	545,935	705,500	705,500	705,500	715,619	10,119 1%
305	IT SUPPORT	6,622	18,800	18,800	18,800	19,100	300 2%
330	GENERAL PROFESSIONAL SERVICE	27,033	80,300	80,300	80,300	75,000	(5,300) -7%
415	COMPUTER SUPPLIES	528	1,500	1,500	1,500	1,500	- 0%
465	OFFICE SUPPLIES	2,006	2,000	2,000	2,000	2,000	- 0%
540	LIABILITY INSURANCE	12,547	12,700	12,500	12,500	13,145	645 5%
570	COMPUTER HARDWARE MAINTEN	3,745	4,000	4,000	4,000	4,120	120 3%
605	PHOTOCOPIER REPAIRS & MAINT	-	6,000	6,000	6,000	6,180	180 3%
670	DINNERS @ WORK SESSIONS, ETC	120	700	700	700	721	21 3%
725	MILEAGE- MISCELLANEOUS TRAV	5	100	100	100	103	3 3%
770	STAFF TRAINING	1,734	12,000	12,000	12,000	9,215	(2,785) -23%
790	SUBSCRIPTIONS & PUBLICATIONS	293	1,000	1,000	1,000	1,030	30 3%
815	TRAINING TRAVEL	3,046	4,000	4,000	4,000	6,000	2,000 50%
840	MISCELLANEOUS	27	100	100	100	400	300 300%
863	COMPUTER HARDWARE	109,248	324,400	324,400	324,400	290,879	(33,521) -10%
864	COMPUTER SOFTWARE - NEW	53,882	66,700	66,700	66,700	-	(66,700) n/a
869	IT EQUIPMENT	133	217	-	-	17,665	17,665 n/a
TOTAL SUPPLIES & SERVICES		766,904	1,240,017	1,239,600	1,239,600	1,171,777	(67,823) -5%
TOTAL CAPITAL OUTLAY		-	-	-	-	-	- n/a
TOTAL		\$1,088,672	\$1,632,346	\$1,562,000	\$1,689,251	\$1,773,121	\$ 83,870 5%

MAYOR & COUNCIL

► **MISSION:** The Town of Paradise Valley provides high quality public services to the community which values limited government.

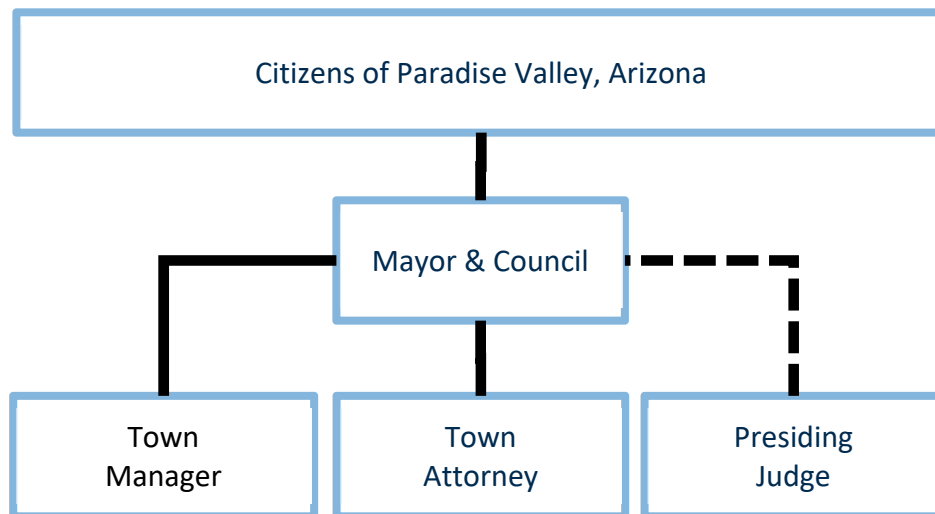
► **VISION:** The Town of Paradise Valley is a premier, low density, residential community in Arizona with a nation identity reflecting excellence in development & design and protection of the natural Sonoran desert.

OFFICE PURPOSE & DESCRIPTION

The Mayor and six (6) Town Council Members are the elected representatives of the Town of Paradise Valley, Arizona. The Mayor is elected to a 2-year term and Council a 4-year staggered term. Every two years an election is held for the Mayor and three (3) Council members. Each year, the Council selects a Council member to serve as Vice-mayor. The Council appoints the Town Manager, the Town Attorney, the Presiding Judge and members of the Town's commissions and boards. The Judge serves for two (2) years and cannot be removed unless malfeasance.

The Mayor and Town Council are responsible for establishing goals and adopting public policy that meets the community's needs.

ORGANIZATIONAL CHART



Mayor and Council are elected by the Citizens of Paradise Valley, Arizona. The Mayor and Council appoint the Town Manager, the Town Attorney and the Presiding Judge.

MAYOR & COUNCIL

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MAYOR & COUNCIL

FUNDING LEVELS

Funding for the Mayor & Council offices is solely General fund resources and is recommended to **increase by \$43,200 (31%)**.

M&C Table 1 - Funding by Source

Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
General Fund	\$ 182,200	\$ 139,000	\$ 43,200	31%	\$ 145,734	\$ 150,435
Total Sources	\$ 182,200	\$ 139,000	\$ 43,200	31%	\$ 145,734	\$ 150,435

* Adopted funding levels for the 2018/19 budget year

EXPENDITURES

The recommended budget of \$182,200 is \$43,200 or 31% more than the prior fiscal year. This results primarily from changes in:

Supplies and services: The net increase of \$43,200 is attribute to the \$25,000 to upgrade the Council chamber(s) audio / visual equipment, \$1,000 for recognition programs, \$5,000 for printing the Town Resident's Guide, \$5,000 for hospitality events, \$2,400 for a conference table, \$2,000 for meeting related expenditures, \$1,750 for photography services, \$1,300 for the Art and Historical committees and net \$750 in other items. The majority of these expenditures do not occur every year.

M&C Table 2 - Expenditures by CATEGORY

EXPENDITURES BY CATEGORY	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Total Personnel	\$ 1,300	\$ 1,300	\$ -	0%	\$ 119	\$ 557
Human service organizations	50,000	50,000	-	0%	50,000	50,000
Council recognition events	37,000	31,000	6,000	19%	31,000	29,328
Audio / Visual upgrades	25,000	-	25,000	n/a	-	-
Dues	14,500	14,500	-	0%	14,500	14,315
Travel and training	5,000	5,000	-	0%	5,000	1,614
Other supplies & services	49,400	37,200	12,200	33%	45,115	54,621
Total Supplies & Services	180,900	137,700	43,200	31%	145,615	149,878
Total Capital	-	-	-	n/a	-	-
Total Expenditures	\$ 182,200	\$ 139,000	\$ 43,200	31%	\$ 145,734	\$ 150,435

* Adopted funding levels for the 2018/19 budget year

MAYOR & COUNCIL

LINE ITEMS (DETAIL)

M&C Table 3 - Line item expenditures								
10-43-ID		2016/17	2017/18		2018/19 Adopted			
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in	
							Amount	%
125	EMPLOYEE BENEFITS-WORKERS COMI	\$ 413	\$ 119	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	0%
135	EMPLOYEE BENEFITS-DISABIL/LIFE	144	-	300	300	300	-	0%
TOTAL PERSONNEL		557	119	1,300	1,300	1,300	-	0%
330	GENERAL PROFESSIONAL SERVICES	11,260	8,800	2,500	2,500	2,500	-	0%
333	CONTRIBUTION HUMAN SERVICE ORC	50,000	50,000	50,000	50,000	50,000	-	0%
334	PSPRS BOARD EXPENSES	31,050	25,000	25,000	25,000	25,000	-	0%
465	OFFICE SUPPLIES	81	-	-	-	-	-	n/a
485	PRINTING	203	500	-	-	5,000	5,000	n/a
660	COUNCIL RECOGNITION EVENTS	29,328	31,000	31,000	31,000	37,000	6,000	19%
670	MEETING RELATED	5,177	5,000	5,000	5,000	7,000	2,000	40%
675	DUES	14,315	14,500	14,500	14,500	14,500	-	0%
695	FLOWERS	1,330	2,000	2,500	2,500	2,000	(500)	-20%
735	PHOTOGRAPHER	1,713	15	-	-	1,750	1,750	n/a
770	STAFF TRAINING	1,614	2,000	2,000	2,000	2,000	-	0%
815	TRAINING TRAVEL	-	3,000	3,000	3,000	3,000	-	0%
840	MISCELLANEOUS	1,860	500	500	500	3,150	2,650	530%
920	HISTORICAL COMMITTEE	-	-	500	500	1,000	500	100%
TBD	AV	-	-	-	-	25,000	25,000	n/a
992	ARTS COMMISSION	1,948	3,300	1,200	1,200	2,000	800	67%
TOTAL SUPPLIES & SERVICES		149,878	145,615	137,700	137,700	180,900	43,200	31%
TOTAL CAPITAL OUTLAY		-	-	-	-	-	-	n/a
TOTAL		\$150,435	\$145,734	\$139,000	\$139,000	\$ 182,200	\$ 43,200	31%

PUBLIC WORKS

► **MISSION:** The Town of Paradise Valley's Public Works is dedicated to maintaining and improving the quality of the community through economically sound infrastructure preservation and enhancement while providing customer-focused, innovative, efficient and reliable municipal service to our residents.

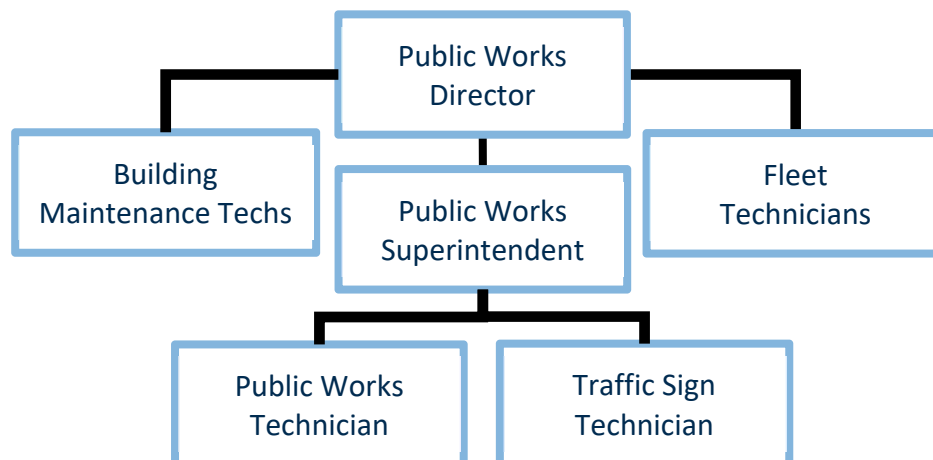
► **VISION:** Public Works will strive to be a leading organization helping to preserve a vibrant, innovative, world-class community. This is accomplished by meeting or exceeding resident needs through accountability, fairness, consistency, and increased communication. We will maintain and improve existing infrastructure in an effective manner. We are committed to supporting a positive work environment in which employees can share in the overall health, safety and welfare of the community.

OFFICE PURPOSE & DESCRIPTION

The Town of Paradise Valley **Public Works Department** provides many of the services that affect the daily lives of those who live and work in the town. Primarily, the department is responsible for:

- Streets and right of ways;
- Facilities maintenance and physical enhancements of all public buildings and grounds:
 - ▷ Town Hall Complex, Town's two fire stations, and Court's building;
 - ▷ Goldwater Memorial Park, and
 - ▷ Kiva Municipal Sports Complex.
- Janitorial services for Town facilities,
- Fleet maintenance services and repairs for all town vehicles and heavy equipment are provided by this department as well.

ORGANIZATIONAL CHART



The Public Works Department is managed by the Public Works Director; the Director reports to the Deputy Town Manager.

PUBLIC WORKS



GOALS



- ▶ Continue to enhance color by addressing/improving/updating the median island landscaping on Doubletree Ranch Road and Tatum.
- ▶ Install 500 tons of decomposed granite on Doubletree Ranch Road.
- ▶ Continue to participate in the Annual Storm Drain Cleaning Program
- ▶ Pavement rehab/preservation (mill & overlay, crack seal and PMM) in sections 13, 15 and 10.
- ▶ Inspect all streets with laser surface tester van to update the Pavement Condition Index (PCI) in the pavement management software program (Lucity).
- ▶ Provided professional preventative maintenance and repairs to Town equipment and vehicles
- ▶ Install new multi zone air conditioning unit at the Public Safety Building and Public Works Admin area.
- ▶ Coordinate and inspect the installation of emergency response equipment to four (4), 2018 Police Chevy Tahoe patrol units. Each vehicle takes approximately two weeks to build.
- ▶ Provide high quality service to our customers: residents and staff.



HIGHLIGHTS



- ▶ 1- Tatum Blvd - Resurfaced 3 miles of road with 1 ½ rubberize asphalt from town limits to town limits.
- ▶ 2- Residential streets – milled/Inlaid asphalt & PMM surface seal on 22.8 linear miles of streets.
- ▶ 3- Installed 485 tons of Madison Gold granite on McDonald, Northern & Invergordon median islands.
- ▶ 4- Updated 61 ADA ramps on Tatum Blvd.
- ▶ 5- Completed the ADOT sign replacement project
- ▶ 6- Coordinate the installation 2 new A/C units on Public Safety building
- ▶ 7- Coordinated and inspected Police vehicle equipment installations.
- ▶ 8- Participate in the selection committee to review architectural firm's qualifications for the building remodels.
- ▶ 9- Planted 185 plants of color McDonald Dr and Invergordon Rd and 8 trees on McDonald Dr
- ▶ 10- Negotiated a maintenance agreement between the City of Phoenix and the Town to install granite and maintain the ROW on Tatum Blvd north of Doubletree Ranch Road.
- ▶ 11- Remodeled Post Office, replaced postal equipment, trained back-up employee. Huge improvement in customer service and auditing

PUBLIC WORKS

STAFFING LEVELS

Staffing levels have remained consistent from 2015/16 through 2017/18. There are no staffing level changes in the 2018/19 budget. Table 1 below displays the department's positions, by classification; and Table 2 shows the positions by service.

PW Table 1 - Authorized positions by CLASSIFICATION				
POSITION CLASSIFICATION	2018/19	2017/18	2016/17	2015/16
PW Director	1.0	1.0	1.0	1.0
Lead building maintenance technician	1.0	1.0	1.0	1.0
Building maintenance technician	1.0	1.0	1.0	1.0
Lead fleet technician	1.0	1.0	1.0	1.0
Public works superintendent	1.0	1.0	1.0	1.0
Public works technician	7.0	7.0	7.0	7.0
Traffic sign technician	1.0	1.0	1.0	1.0
Total full time equivalents	13.0	13.0	13.0	13.0

PW Table 2 - Authorized positions by PRIMARY FUNCTION				
PRIMARY FUNCTION*	2018/19	2017/18	2016/17	2015/16
Facilities	2.0	2.0	2.0	2.0
Fleet	1.0	1.0	1.0	1.0
Streets	10.0	10.0	10.0	10.0
Total full time equivalents	13.0	13.0	13.0	13.0

* the PW Director is listed in Streets

FUNDING LEVELS

Funding for Public works consists of General resources, HURF and enterprises. Overall, funding is budgeted to **decrease by \$1,573,664 (-28%)**. HURF increased by \$106,768, General resources reducing by \$(1,680,432) and Enterprise remains constant.

PW Table 3 - Funding by Source						
Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
General Fund	\$3,068,496	\$4,748,928	\$(1,680,432)	-35%	\$4,535,887	\$2,724,170
HURF	917,768	811,000	106,768	13%	919,102	897,142
Enterprises**	18,200	18,200	-	0%	18,200	-
Total Sources	\$4,004,464	\$5,578,128	\$(1,573,664)	-28%	\$5,473,189	\$3,621,312

* Adopted funding levels for the 2018/19 budget year ** Facilities provides services to Fire (enterprise)

PUBLIC WORKS

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PUBLIC WORKS

► EXPENDITURES ◀

The Public Works recommended budget of \$4,004,464 is \$(1,573,664) or -28% less than the prior fiscal year. This results primarily from changes in:

Personnel: The net increase of \$12,312 or 1% covers Town-wide adjustments to salaries and benefits.

Supplies and services: The net decrease of \$1,540,976 or -35% is primarily part of following the Street Preservation plan, along with increases in utilities for the new communications tower, professional series and A/C units for the Public Works and Public Safety buildings.

Capital: The decrease of \$45,000 or 53% is reflective of following the vehicle replacement program.

PW Table 4 - Expenditures by CATEGORY						
EXPENDITURES BY CATEGORY	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Total Personnel	\$1,157,640	\$1,145,328	\$ 12,312	1%	\$1,124,673	\$1,124,690
Utilities	426,077	415,200	10,877	3%	423,554	418,079
Professional services	155,040	134,300	20,740	15%	132,939	137,992
Liability insurance	56,961	53,300	3,661	7%	55,035	54,368
Facility repair & maintenance	39,600	41,200	(1,600)	-4%	41,157	37,260
Storm drain maintenance	93,000	93,000	-	0%	92,967	65,111
Street preservation	1,682,586	3,317,000	(1,634,414)	-49%	3,310,995	1,524,279
Other supplies & services	353,560	293,800	59,760	20%	262,869	230,631
Total Supplies & Services	2,806,824	4,347,800	(1,540,976)	-35%	4,319,516	2,467,720
Total Capital	40,000	85,000	(45,000)	-53%	29,000	28,902
Total Expenditures	\$4,004,464	\$5,578,128	\$(1,573,664)	-28%	\$5,473,189	\$3,621,312
* Adopted funding levels for the 2018/19 budget year						

There are three primary functions (cost centers) in Public Works for budgetary purposes.

PW Table 5 - Expenditures by PRIMARY FUNCTION						
PRIMARY FUNCTION	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Facilities	\$ 598,554	\$ 562,567	\$ 35,987	6%	\$ 527,574	\$ 558,952
Fleet	280,156	276,367	3,789	1%	277,515	275,097
Streets	3,125,754	4,739,194	(1,613,440)	-34%	4,668,100	2,787,263
Total Expenditures	\$4,004,464	\$5,578,128	\$(1,573,664)	-28%	\$5,473,189	\$3,621,312
* Adopted funding levels for the 2018/19 budget year						

PUBLIC WORKS

LINE ITEMS (DETAIL)

PW Table 6 - Line item expenditures: FACILITIES

10-41-ID		2016/17	2017/18		2018/19 Recommended		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in Amount %
100	SALARIES AND WAGES	\$124,272	\$123,712	\$122,000	\$126,000	\$ 126,324	\$ 324 0%
102	STANDBY PAY	7,860	3,886	-	-	-	- n/a
105	OVERTIME	1,740	2,205	1,600	1,600	1,550	(50) -3%
115	EMPLOYEE BENEFITS-FICA	10,047	10,108	9,300	10,300	9,577	(723) -7%
120	EMPLOYEE BENEFITS-RETIREMENT	14,916	16,647	14,300	15,570	15,248	(322) -2%
125	EMPLOYEE BENEFITS-WORKERS C	6,579	7,043	5,100	5,100	5,191	91 2%
130	EMPLOYEE BENEFITS-MED/DENTAL	15,417	17,277	15,400	17,277	19,469	2,192 13%
135	EMPLOYEE BENEFITS-DISABIL/LIFE	925	149	900	900	925	25 3%
136	Short term disability	-	-	-	-	959	959 n/a
160	EMPLOYEE BENEFITS-CLOTHING	1,698	2,425	1,400	1,400	2,310	910 65%
162	EMPLOYEE BENEFIT - TOOL	1,000	2,080	1,000	1,000	1,000	- 0%
191	DEFERRED COMPENSATION-457	46	1,360	-	3,120	3,120	- 0%
186	HSA	7,070	1,200	7,000	3,900	3,900	- 0%
TOTAL PERSONNEL		191,572	188,092	178,000	186,167	189,573	3,406 2%
205	CELLULAR PHONE CHARGES	593	312	700	700	450	(250) -36%
210	WATER	17,749	17,749	20,600	20,600	21,200	600 3%
214	FIRE SERVICE FEE	3,564	3,600	3,600	3,600	3,600	- 0%
215	ELECTRICITY	132,081	120,711	129,000	129,000	134,400	5,400 4%
217	SEWER SERVICE FEES	5,847	6,018	6,900	6,900	6,900	- 0%
220	NATURAL GAS	1,977	2,084	2,700	2,700	2,077	(623) -23%
226	KIVA FIELD ELECTRICITY	18,759	16,215	15,100	15,100	20,000	4,900 32%
330	GENERAL PROFESSIONAL SERVICE	14,501	15,234	15,300	15,300	20,880	5,580 36%
333	JANITORIAL SERVICE	71,352	68,925	69,100	69,100	69,100	- 0%
335	INDEPENDENT CONTRACTORS	2,301	2,780	3,900	3,900	3,960	60 2%
420	EXPENDABLE TOOLS	309	900	900	900	900	- 0%
430	FIRST AID SUPPLIES	619	194	200	200	200	- 0%
435	GAS & OIL	2,471	2,604	1,000	1,000	1,000	- 0%
445	JANITORIAL SUPPLIES	6,453	8,600	8,600	8,600	8,600	- 0%
455	MISC. PARTS & SUPPLIES	150	3,428	3,200	3,200	3,200	- 0%
465	OFFICE SUPPLIES	3,190	1,964	2,000	2,000	2,000	- 0%
520	WEED CONTROL - TOWN COMPLE	2,242	2,994	3,000	3,000	3,000	- 0%
540	LIABILITY INSURANCE	8,364	8,468	8,200	8,200	8,764	564 7%
560	FACILITIES REPAIRS & MAINT.	37,260	41,157	41,200	41,200	39,600	(1,600) -4%
590	WASH MAINTENANCE	2,363	2,500	2,500	2,500	2,500	- 0%
595	LANDSCAPE MAINT. - TOWN COMPL	2,888	3,895	3,900	3,900	3,900	- 0%
597	KIVA FIELD ELECTRICAL MAINT	-	-	500	500	500	- 0%
598	KIVA FIELD MAINTENANCE	3,984	-	7,100	7,100	7,100	- 0%
635	PEST CONTROL	4,112	4,850	4,900	4,900	4,850	(50) -1%
636	BERNEIL WASH WASTE REMOVAL	196	300	300	300	300	- 0%
TOTAL SUPPLIES & SERVICES		343,328	335,482	354,400	354,400	368,981	14,581 4%
890	CAPITAL	24,052	4000	22,000	22,000	40,000	18,000 82%
TOTAL CAPITAL OUTLAY		24,052	4,000	22,000	22,000	40,000	18,000 n/a
TOTAL		\$558,951	\$527,573	\$ 554,400	\$562,567	\$ 598,554	\$ 35,987 6%

PUBLIC WORKS

LINE ITEMS (DETAIL)

PW Table 7 - Line item expenditures: FLEET

10-51-ID		2016/17	2017/18		2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in Amount %
100	SALARIES AND WAGES	\$ 65,520	\$ 67,974	\$ 65,500	\$ 67,500	\$ 67,977	\$ 477 1%
115	EMPLOYEE BENEFITS-FICA	4,799	4,926	4,900	4,900	5,071	171 3%
120	EMPLOYEE BENEFITS-RETIREMENT	7,341	8,122	7,500	7,535	7,913	378 5%
125	EMPLOYEE BENEFITS-WORKERS C	2,554	2,730	2,000	2,000	2,127	127 6%
130	EMPLOYEE BENEFITS-MED/DENTAL	9,391	9,532	9,600	9,532	11,045	1,513 16%
135	EMPLOYEE BENEFITS-DISABIL/LIFE	497	187	500	500	497	(3) -1%
136	Short term disability	-	-	-	-	510	510 n/a
160	EMPLOYEE BENEFITS-CLOTHING	829	876	500	500	985	485 97%
162	EMPLOYEE BENEFITS-TOOLS	500	500	500	500	500	- 0%
186	HSA	4,419	-	4,400	-	-	- n/a
TOTAL PERSONNEL		95,850	94,847	95,400	92,967	96,625	3,658 4%
205	CELLULAR PHONE CHARGES	316	247	400	400	300	(100) -25%
420	EXPENDABLE TOOLS	1,072	2,047	2,100	2,100	2,100	- 0%
435	GAS & OIL	219	373	300	300	300	- 0%
465	OFFICE SUPPLIES	444	469	500	500	450	(50) -10%
502	SHOP SUPPLIES	6,515	4,916	5,000	5,000	5,000	- 0%
540	LIABILITY INSURANCE	4,182	4,233	4,100	4,100	4,381	281 7%
590	EQUIPMENT REPAIRS & MAINTENANCE	160,592	160,947	161,300	161,300	161,300	- 0%
600	SHOP EQUIPMENT REPAIR & MAINT	1,629	3,450	3,600	3,600	3,600	- 0%
634	ENVIRONMENTAL DISPOSAL FEES	2,076	2,900	3,000	3,000	3,000	- 0%
675	DUES	-	785	800	800	800	- 0%
770	STAFF TRAINING	251	400	400	400	400	- 0%
790	SUBSCRIPTIONS & PUBLICATIONS	1,951	1,903	1,900	1,900	1,900	- 0%
TOTAL SUPPLIES & SERVICES		179,247	182,668	183,400	183,400	183,531	131 0%
TOTAL CAPITAL OUTLAY		-	-	-	-	-	n/a
TOTAL		\$ 275,098	\$ 277,515	\$ 278,800	\$ 276,367	\$ 280,156	\$ 3,789 1%

PUBLIC WORKS

LINE ITEMS (DETAIL)

PW Table 8 - Line item expenditures: STREET

10-40-ID		2016/17	2017/18		2018/19 Adopted		
		Prior Year	Year end	Budget	Budget	Budget	Change in
L	Account Title	Actual	Projected	Original	Amended	2018/19	Amount %
100	SALARIES AND WAGES	\$ 560,845	\$ 567,171	\$ 566,600	\$ 583,600	\$ 591,751	\$ 8,151 1%
102	STANDBY PAY	10,714	12,392	28,000	28,000	15,000	(13,000) -46%
105	OVERTIME	3,306	6,631	3,500	3,500	3,500	- 0%
115	EMPLOYEE BENEFITS-FICA	43,757	45,416	45,000	47,000	45,304	(1,696) -4%
120	EMPLOYEE BENEFITS-RETIREME	62,983	74,604	68,900	74,412	71,927	(2,485) -3%
125	EMPLOYEE BENEFITS-WORKERS	25,347	21,175	8,200	8,200	8,377	177 2%
130	EMPLOYEE BENEFITS-MEDICAL	79,324	77,282	80,000	77,282	87,203	9,921 13%
135	EMPLOYEE BENEFITS-DISABIL/LI	3,914	545	4,300	4,300	4,186	(114) -3%
136	Short term disability	-	-	-	-	4,614	4,614 n/a
160	EMPLOYEE BENEFITS-CLOTHING	6,225	5,705	6,000	6,000	5,700	(300) -5%
161	EMPLOYEE BENEFIT - CELL PHOI	1,495	1,150	1,400	1,400	1,380	(20) -1%
191	DEFERRED COMPENSATION-457	515	12,863	-	14,300	14,300	- 0%
186	EMPLOYEE BENEFITS - H S A	36,690	16,800	32,400	18,200	18,200	- 0%
199	WORKERS' COMPENSATION DED	2,151	-	-	-	-	- n/a
TOTAL PERSONNEL		837,268	841,734	844,300	866,194	871,442	5,248 1%

PUBLIC WORKS

LINE ITEMS (DETAIL)

PW Table 8 - Line item expenditures: STREET

10-40-ID		2016/17	2017/18			2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in	
							Amount	%
205	CELLULAR PHONES	3,897	2,579	4,100	4,100	3,600	(500)	-12%
210	WATER	52,819	67,197	43,000	43,000	43,000	-	0%
225	ELECTRICITY - APS/SRP	21,626	25,452	30,000	30,000	30,000	-	0%
227	ELECTRICITY - LANDSCAPE MED	3,065	3,581	3,000	3,000	3,600	600	20%
330	GENERAL PROFESSIONAL SERVI	49,838	46,000	46,000	46,000	61,100	15,100	33%
342	STORMWATER DRAINAGE MAINTI	65,111	92,967	93,000	93,000	93,000	-	0%
405	BEVERAGES/GATERADE/COFFEE	924	900	900	900	900	-	0%
420	EXPENDABLE TOOLS	2,719	3,000	3,000	3,000	3,000	-	0%
430	FIRST AID SUPPLIES	998	997	1,000	1,000	1,000	-	0%
435	GAS & OIL	21,369	26,539	30,000	30,000	30,000	-	0%
455	MISC. PARTS & SUPPLIES	3,916	3,500	3,500	3,500	3,500	-	0%
460	MISC. ROCK & FILL	21,348	22,302	22,400	22,400	22,400	-	0%
461	MISC ROAD & DRAINAGE REPAIR	12,284	7,485	7,500	7,500	7,500	-	0%
464	OFFICE FURNISHINGS	760	-	-	-	-	-	n/a
465	OFFICE SUPPLIES	2,202	951	2,400	2,400	2,400	-	0%
470	STREET STRIPING	8,193	33,608	34,000	34,000	34,000	-	0%
495	SAFETY EQUIPMENT SUPPLIES	1,048	1,383	12,500	12,500	1,400	(11,100)	-89%
502	STREET SHOP SUPPLIES	4,043	3,038	2,000	2,000	3,500	1,500	75%
510	STREET SIGNS & MATERIALS	24,521	11,088	11,700	11,700	11,700	-	0%
520	WEED CONTROL SUPPLIES	8,991	7,530	7,500	7,500	7,530	30	0%
540	LIABILITY INSURANCE	41,822	42,334	41,000	41,000	43,816	2,816	7%
595	LANDSCAPE ISLANDS/RIGHT OF '	14,054	9,609	9,700	9,700	9,700	-	0%
605	PHOTOCOPIER REPAIRS & MAINT	-	1,200	1,200	1,200	1,200	-	0%
615	RECREATION PATH MAINTENANC	8,761	11,953	12,000	12,000	12,000	-	0%
621	CRACK SEAL PROGRAM	1,483	-	-	-	-	-	n/a
630	TRAFFIC SIGNAL ROW LIGHT MAI	10,039	13,079	16,600	16,600	28,400	11,800	71%
634	ENVIRONMENTAL DISPOSAL FEE	21,823	28,678	28,700	28,700	29,100	400	1%
636	ANIMAL PICKUPS	-	1,200	1,200	1,200	1,200	-	0%
675	DUES	785	1,198	1,200	1,200	1,300	100	8%
765	CDL DRUG TESTING COSTS	430	1,175	1,200	1,200	1,200	-	0%
770	STAFF TRAINING	2,625	3,791	3,800	3,800	4,915	1,115	29%
790	SUBSCRIPTIONS & PUBLICATION:	-	800	800	800	910	110	14%
815	TRAINING TRAVEL	355	-	2,600	2,600	-	(2,600)	0%
840	MISCELLANEOUS	9,016	15,257	15,500	15,500	74,855	59,355	383%
871	STREET PRESERVATION	1,524,279	3,310,995	3,317,000	3,317,000	1,682,586	(1,634,414)	-49%
TOTAL SUPPLIES & SERVICES		1,945,145	3,801,366	3,810,000	3,810,000	2,254,312	(1,555,688)	-41%
869	STREET DEPT. EQUIPMENT	4,850	25,000	25,000	25,000	-	(25,000)	n/a
870	VEHICLES	-	-	38,000	38,000	-	(38,000)	n/a
TOTAL CAPITAL OUTLAY		4,850	25,000	63,000	63,000	-	(63,000)	n/a
TOTAL		\$2,787,263	\$4,668,101	\$ 4,717,300	\$4,739,194	\$ 3,125,754	\$(1,613,440)	-34%

PUBLIC WORKS

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TOWN ATTORNEY

OFFICE PURPOSE & DESCRIPTION

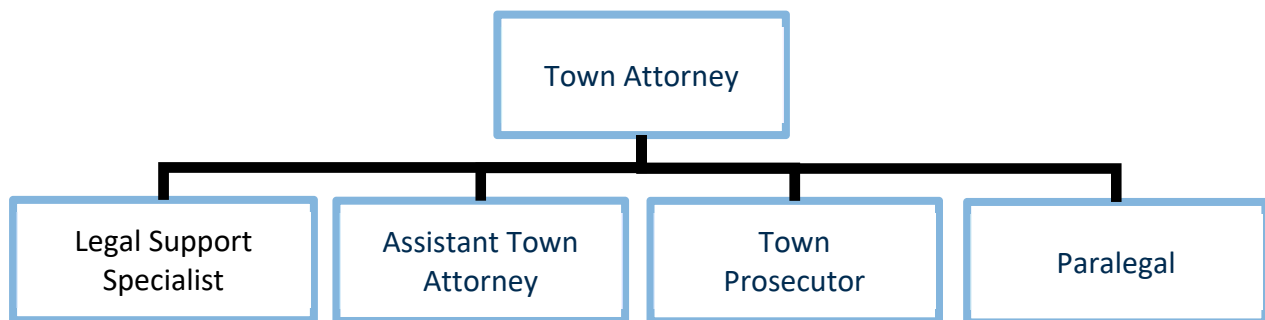
The Town Attorney is the legal advisor to the Town Council and a number of appointed bodies of the Town, including but not limited to the:

- ▶ Planning Commission,
- ▶ Board of Adjustment,
- ▶ Mummy Mountain Preserve Trust, and
- ▶ Personnel Appeals Board.

The Town Attorney represents the Town in all legal proceedings, reviews all ordinances, resolutions and contracts, and prepares legal opinions.

The Town Attorney's office handles all litigation concerning the Town and actively participates in risk analysis as a means to avoid costly claims or litigation. The office also handles the prosecution of all violations of Town codes and misdemeanor violations of state law within the Town, and all appeals from the Town's Municipal Court to the Superior Court.

ORGANIZATIONAL CHART



The Town Attorney's office is managed by the Town Attorney; the Town Attorney reports to the Town Council.

TOWN ATTORNEY

STAFFING LEVELS

Staffing levels have remained consistent from 2015/16 through 2017/18. Added in the 2018/19 budget are one (1) part-time Assistant town attorney and one (1) part-time Prosecutor to assist with the office's workload and is offset by the costs of a temporary position. Table 1 below displays the office's positions, by classification.

TA Table 1 - Authorized positions by CLASSIFICATION				
POSITION CLASSIFICATION	2018/19*	2017/18	2016/17	2015/16
Town attorney	1.0	1.0	1.0	1.0
Assistant town attorney (Part-time)	0.7	0.0	0.0	0.0
Prosecutor (Part-time)	0.3	0.0	0.0	0.0
Paralegal	1.0	1.0	1.0	1.0
Legal support specialist	1.0	1.0	1.0	1.0
Total full time equivalents	4.0	3.0	3.0	3.0
Assistant town attorney (temp PT)	-	0.5	0.5	0.5

FUNDING LEVELS

Funding for the Town Attorney's office consists of General resources and the Alarm, Fire and Wastewater enterprises. Overall, funding is budgeted to **increase by \$26,228 (4%)**.

TA Table 2 - Funding by Source						
Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
General Fund	\$ 609,048	\$ 582,820	\$ 26,228	5%	\$ 494,669	\$ 567,918
Enterprises	56,600	56,600	-	0%	56,600	56,221
Total Sources	\$ 665,648	\$ 639,420	\$ 26,228	4%	\$ 551,269	\$ 624,139

* Adopted funding levels for the 2018/19 budget year ** Town Attorney provides services to Alarm, Fire and Wastewater (enterprise)

TOWN ATTORNEY

► EXPENDITURES ◀

The Town Attorney's office 2018/19 budget of \$665,648 is \$26,228 or 4% more than the prior fiscal year. This results primarily from changes in:

Personnel: The net increase of \$154,068 or 37% covers Town-wide adjustments to salaries and benefits and the recommended addition of one (1) part-time Assistant town attorney and one (1) part-time prosecutor. Both positions are offset with a reduction in contractual services and temporary labor.

Supplies and services: The net decrease of \$(127,840) or -4% is attribute to the reduction in temporary labor that offsets the addition of two new part-time positions; and increases in Publications (\$2,590), Travel and training (\$1,730), Liability insurance (\$745) and various other line items (\$495).

Capital: There is no capital in the Town Attorney's office budget this year.

TA Table 3 - Expenditures by CATEGORY

EXPENDITURES BY CATEGORY		Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Total Personnel		\$ 565,988	\$ 411,920	\$ 154,068	37%	\$ 400,853	\$ 414,227
Supplies & Services	Professional services	58,000	94,000	(36,000)	-38%	43,138	78,836
	Liability insurance	13,145	12,400	745	6%	12,700	12,547
	Travel and training	8,130	6,400	1,730	27%	4,081	4,270
	Research & publications	13,790	11,200	2,590	23%	8,406	12,013
	Temporary labor	-	97,400	(97,400)	-100%	79,330	75,167
	Other supplies & services	6,595	6,100	495	8%	2,761	27,079
Total Supplies & Services		99,660	227,500	(127,840)	-56%	150,416	209,912
Total Capital		-	-	-	n/a	-	-
Total Expenditures		\$ 665,648	\$ 639,420	\$ 26,228	4%	\$ 551,269	\$ 624,139

* Adopted funding levels for the 2018/19 budget year

TOWN ATTORNEY

LINE ITEMS (DETAIL)

TA Table 4 - Line item expenditures

10-45-ID		2016/17	2017/18		2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in Amount %
100	SALARIES AND WAGES	\$ 308,993	\$ 304,605	\$ 306,000	\$ 310,000	\$ 439,148	\$ 129,148 42%
115	EMPLOYEE BENEFITS-FICA	19,354	15,073	20,300	20,300	27,065	6,765 33%
120	EMPLOYEE BENEFITS-RETIREMENT	35,792	37,616	35,800	37,054	47,108	10,054 27%
125	EMPLOYEE BENEFITS-WORKERS COMP	1,186	1,283	800	800	1,037	237 30%
130	EMPLOYEE BENEFITS-MEDICAL	25,098	23,146	24,700	23,146	25,959	2,813 12%
135	EMPLOYEE BENEFITS-DISABIL/LIFE	1,678	777	1,700	1,700	2,422	722 42%
136	SHORT TERM DISABILITY	-	-	-	-	2,969	2,969 n/a
161	EMPLOYEE BENEFIT - CELL PHONE	1,495	1,150	1,400	1,400	2,760	1,360 97%
165	EMPLOYEE BENEFIT-CAR ALLOWANCE	3,250	3,000	3,000	3,000	3,000	- 0%
186	EMPLOYEE BENEFITS - H S A	9,770	3,600	9,600	3,900	3,900	- 0%
191	DEFERRED COMPENSATION-457	7,612	10,603	7,500	10,620	10,620	- 0%
TOTAL PERSONNEL		414,227	400,853	410,800	411,920	565,988	154,068 37%
330	GENERAL PROFESSIONAL SERVICES	7,030	1,310	4,000	4,000	4,000	- 0%
356	LEGAL-OUTSIDE - GENERAL LAW	78,836	41,828	90,000	90,000	54,000	(36,000) -40%
365	MESSENGER/PROCESS SERVICE	504	776	1,100	1,100	1,600	500 45%
375	TEMPORARY LABOR	75,167	79,330	95,000	97,400	-	(97,400) n/a
465	OFFICE SUPPLIES	1,355	1,296	2,000	2,000	2,000	- 0%
485	PRINTING	-	-	100	100	100	- 0%
540	LIABILITY INSURANCE	12,547	12,700	12,400	12,400	13,145	745 6%
670	MEALS	306	161	300	300	300	- 0%
675	DUES	1,230	420	2,400	2,400	2,395	(5) 0%
725	MILEAGE-MISCELLANEOUS TRAVEL	-	-	500	500	500	- 0%
770	STAFF TRAINING	2,278	2,330	2,700	2,700	3,130	430 16%
775	RESEARCH	8,170	7,223	9,800	9,800	10,000	200 2%
790	SUBSCRIPTIONS & PUBLICATIONS	3,843	1,183	1,400	1,400	3,790	2,390 171%
815	TRAINING TRAVEL	1,992	1,751	3,200	3,200	4,500	1,300 41%
840	MISCELLANEOUS	10	108	200	200	200	- 0%
841	MISC - SETTLEMENTS	16,646	-	-	-	-	- n/a
TOTAL SUPPLIES & SERVICES		209,912	150,416	225,100	227,500	99,660	(127,840) -56%
TOTAL CAPITAL OUTLAY		-	-	-	-	-	- n/a
TOTAL		\$624,139	\$551,269	\$ 635,900	\$639,420	\$ 665,648	\$ 26,228 4%

TOWN MANAGER

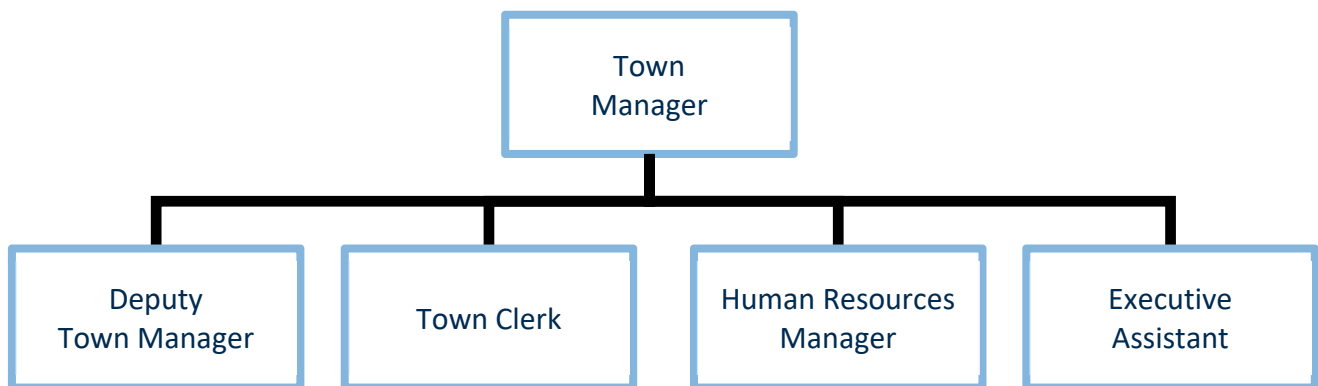
OFFICE PURPOSE & DESCRIPTION

The Town Manager provides the overall administrative leadership for the Town necessary for the implementation of:

- ▶ Town Council policies;
- ▶ Management of the organization; and
- ▶ Delivery of services to the community.

The Town Manager implements the Council's established goals and initiatives through professional leadership and management practices. It is also the responsibility of this office to ensure that Town operations are performed effectively, efficiently and economically; and that the Town services are responsive to community needs. The Town Manager also serves as the Secretary to the local Public Safety Personnel Retirement System (PSPRS) and is responsible for publishing the Town Reporter.

ORGANIZATIONAL CHART



The Town Manager's office is managed by the Town Manager; the Town Manager reports to the Town Council.

TOWN MANAGER

STAFFING LEVELS

There are no changes in the Staffing levels in the Town Manager's office with this fiscal year's budget. In fiscal year 2018/19, the Deputy Town Manager position was moved from Admin Services to the Town Manager's Office. Table 1 below displays the office's positions, by classification.

TM Table 1 - Authorized positions by CLASSIFICATION				
POSITION CLASSIFICATION	2018/19	2017/18	2016/17	2015/16
Town Manager	1.0	1.0	1.0	1.0
Deputy Town Manager	1.0	1.0	-	-
Executive Assistant to TM/Council	1.0	1.0	1.0	1.0
Town Clerk / Management Analyst	1.0	1.0	1.0	1.0
Human Resources Manager	1.0	1.0	1.0	1.0
Total full time equivalents	5.0	5.0	4.0	4.0

FUNDING LEVELS

Funding for the Town Manager's Office consists solely of General fund resources. Funding is budgeted to **increase by \$141,963 (15%)**.

TM Table 2 - Funding by Source						
Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
General Fund	\$1,075,822	\$ 933,859	\$ 141,963	15%	\$ 923,276	\$ 786,775
Total Sources	\$1,075,822	\$ 933,859	\$ 141,963	15%	\$ 923,276	\$ 786,775

* Adopted funding levels for the 2018/19 budget year

TOWN MANAGER

► EXPENDITURES ◀

The Town Manager's office budget of \$1,075,822 is \$141,963 or 15% more than the prior fiscal year. This results primarily from changes in:

Personnel: The net increase of \$52,236 or 7% covers Town-wide adjustments to salaries and benefits plus a full year of the Deputy Town Manager position. Last year that position was partial-year funded as the position transitioned from Admin Services to the Town Manager's office.

Supplies and services: The net increase of \$96,227 or 53% is consists of \$45,700 for Intergovernmental affairs (with offsets in the Finance office), \$17,000 for elections that occurs every two years \$20,000 for employee programs for raising education fees, \$5,500 for the Town Reporter, \$3,500 for Mummy mountain printing and publishing, \$2,100 for dues and memberships, \$1,500 for county recorder fee increase, \$1,027 for liability insurance and \$3,400 in various other lines to maintain current service levels.

TM Table 3 - Expenditures by CATEGORY

EXPENDITURES BY CATEGORY		Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Total Personnel		\$ 804,695	\$ 752,459	\$ 52,236	7%	\$ 749,644	\$ 635,390
Supplies & Services	Professional services	45,000	55,000	(10,000)	-18%	45,000	46,600
	Liability insurance	17,527	16,500	1,027	6%	16,934	16,729
	Employee programs	59,000	39,000	20,000	51%	34,897	12,721
	Town reporter	16,500	11,000	5,500	50%	11,000	17,466
	Elections	17,000	-	17,000	n/a	-	15,179
	Intergovernmental affairs	45,700	-	45,700	n/a	-	-
	Other supplies & services	70,400	59,900	10,500	18%	65,801	42,690
Total Supplies & Services		271,127	181,400	89,727	49%	173,632	151,385
Total Capital		-	-	-	n/a	-	-
Total Expenditures		\$1,075,822	\$ 933,859	\$ 141,963	15%	\$ 923,276	\$ 786,775

* Adopted funding levels for the 2018/19 budget year

TOWN MANAGER

LINE ITEMS (DETAIL)

TM Table 4 - Line item expenditures

10-44-ID		2016/17	2017/18			2018/19 Adopted		
		Prior Year	Year end	Budget	Budget	Budget	Change in	
ID	Account Title	Actual	Projected	Original	Amended	2018/19	Amount	%
100	SALARIES AND WAGES	\$ 471,579	\$ 580,776	\$ 460,200	\$ 576,085	\$ 602,933	\$ 26,848	5%
105	OVERTIME	717	-	500	500	500	-	0%
115	EMPLOYEE BENEFITS-FICA	32,056	33,084	31,400	39,626	40,637	1,011	3%
120	EMPLOYEE BENEFITS-RETIREMENT	54,423	61,135	53,800	67,332	71,683	4,351	6%
125	EMPLOYEE BENEFITS-WORKERS COM	3,724	4,401	1,300	1,300	1,624	324	25%
130	EMPLOYEE BENEFITS-MED/DENTAL	35,920	43,216	34,900	43,216	51,860	8,644	20%
135	EMPLOYEE BENEFITS-DISABIL/LIFE	2,588	642	2,500	2,500	3,332	832	33%
136	Short term disability					4,526	4,526	n/a
161	EMPLOYEE BENEFIT - CELL PHONE	2,600	2,690	2,500	2,500	3,780	1,280	51%
165	EMPLOYEE BENEFIT-CAR ALLOWANC	4,550	4,200	4,200	4,200	4,200	-	0%
186	HSA	14,140	6,900	14,000	2,600	5,200	2,600	100%
191	DEFERRED COMPENSATION	13,092	12,600	10,000	12,600	14,420	1,820	14%
TOTAL PERSONNEL		\$635,390	\$749,644	\$ 615,300	\$ 752,459	\$ 804,695	\$ 52,236	7%

TOWN MANAGER

LINE ITEMS (DETAIL)

TM Table 4 - Line item expenditures

10-44-ID		2016/17	2017/18			2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in	
							Amount	%
205	CELLULAR PHONE CHARGES	\$ 980	\$ 1,000	\$ 1,000	\$ 1,000	\$ 2,300	\$ 1,300	130%
310	COUNTY RECORDER	1,100	2,300	1,500	1,500	3,000	1,500	100%
330	GENERAL PROFESSIONAL SERVICES	46,080	35,000	45,000	45,000	35,000	(10,000)	-22%
356	LEGAL-OUTSIDE - GENERAL LAW	520	10,000	10,000	10,000	10,000	-	0%
380	TOWN-WIDE TRAINING	-	2,500	2,500	2,500	2,500	-	0%
465	OFFICE SUPPLIES	4,252	5,500	5,500	5,500	5,500	-	0%
485	PRINTING	833	4,000	4,000	4,000	7,500	3,500	88%
540	LIABILITY INSURANCE	16,729	16,934	16,500	16,500	17,527	1,027	6%
660	TWN MGR SPECIAL PERFORM	-	5,000	5,100	5,100	5,000	(100)	-2%
661	EMPLOYEE AWARDS	3,810	4,000	4,000	4,000	4,000	-	0%
662	EMPLOYEE PROGRAMS	8,911	5,897	10,000	10,000	10,000	-	0%
663	EMPLOYEE TUITION	-	20,000	20,000	20,000	40,000	20,000	100%
670	LUNCHES, DINNERS, ETC.	3,108	4,000	2,500	2,500	4,000	1,500	60%
675	DUES	2,710	2,500	2,500	2,500	4,600	2,100	84%
680	ELECTIONS	15,179	-	-	-	17,000	17,000	n/a
720	LEGAL ADVERTISING	3,855	5,000	4,000	4,000	4,000	-	0%
725	MILEAGE- MISCELLANEOUS	188	1,000	300	300	1,000	700	233%
753	POSTAGE ALLOCATION	7,736	12,000	12,000	12,000	12,000	-	0%
755	POTTED PLANTS	2,916	3,000	3,000	3,000	3,000	-	0%
765	RECRUITING & EMPLOYMENT	6,441	7,000	7,000	7,000	7,000	-	0%
770	STAFF TRAINING	2,884	6,700	6,700	6,700	6,700	-	0%
790	SUBSCRIPTIONS & PUBLICATIONS	1,256	1,000	1,000	1,000	1,000	-	0%
810	TOWN REPORTER	17,466	11,000	11,000	11,000	16,500	5,500	50%
815	TRAINING TRAVEL	2,320	5,800	5,800	5,800	5,800	-	0%
840	MISCELLANEOUS	2,112	2,500	500	500	500	-	0%
TBD	INTERGOVERNMENTAL AFFAIRS	-	-	-	-	45,700	45,700	n/a
TOTAL SUPPLIES & SERVICES		151,385	173,632	181,400	181,400	271,127	89,727	49%
TOTAL CAPITAL OUTLAY		-	-	-	-	-	-	n/a
TOTAL		\$ 786,775	\$ 923,276	\$ 796,700	\$ 933,859	\$ 1,075,822	\$ 141,963	15%

TOWN MANAGER

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PUBLIC SAFETY

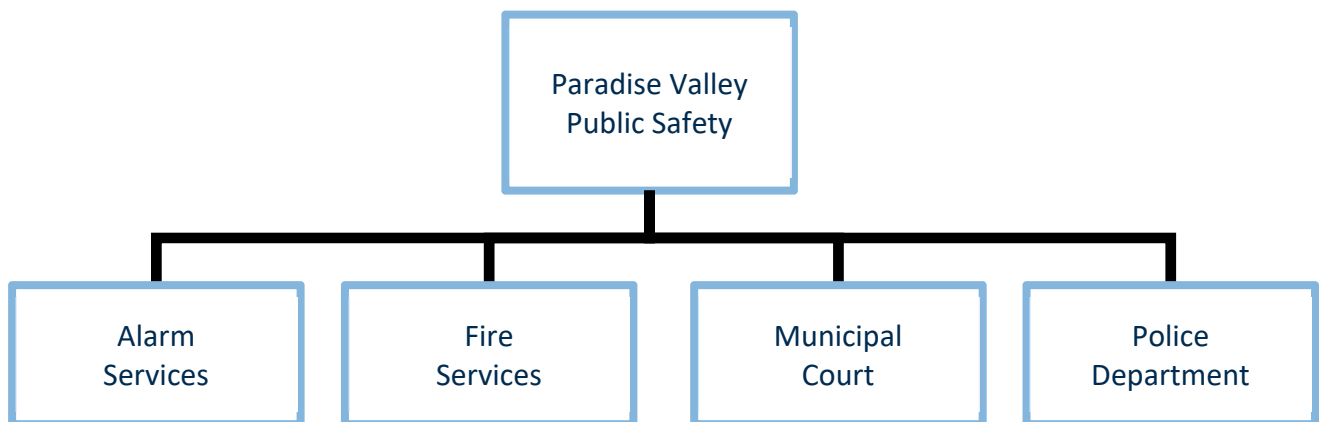
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PUBLIC SAFETY

OFFICE PURPOSE & DESCRIPTION

Public Safety is one of the primary roles of local government. In the Town of Paradise Valley, public safety is comprised of the Police Department, the Municipal Court the fire contract with the City of Phoenix and the Town's alarm services. Other departments throughout the Town provide support to public safety, including the Town attorney's office, Information technology, Finance, the Town manager's office and Public works. The Police department and the Municipal court are primarily funded from the Town's general fund, while separate funds and revenue sources have been established for the Fire and Alarm services. Further details on each of these four units are in the pages that follow.

ORGANIZATIONAL CHART



PUBLIC SAFETY

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ALARM SERVICES

OFFICE PURPOSE & DESCRIPTION

The Alarm Services Enterprise accounts for the activities of the Town's alarm system monitoring services. As an enterprise, the rate structure for both residential and commercial customers is designed to recover the costs of providing services.

FUNDING LEVELS

Funding for the Alarm services consists of service fees paid by customers and use of prior years' carry forward fund balance. Funding is budgeted to **decrease by \$291,432 (-46%)**.

ALRM Table 1 - Funding by Source

Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Service fees	\$ 185,000	\$ 190,000	\$ (5,000)	-3%	\$ 185,000	\$ 185,000
Use of fund balance	154,968	441,400	(286,432)	-65%	85,422	(56,478)
Total Sources	\$ 339,968	\$ 631,400	\$ (291,432)	-46%	\$ 270,422	\$ 128,522

* Adopted funding levels for the 2018/19 budget year

EXPENDITURES

The Alarm Services budget of \$339,968 is \$291,432 (-46%) less than the prior fiscal year. This results primarily from changes in:

Personnel: The net increase of the administrative allocation increase budget to budget, but matches the allocation plan for 2017/18.

Supplies and services: A contingency for consulting and equipment upgrades had been budgeted in 2017/18. This was not used and is not being re-budgeted in 2018/19.

ALRM Table 2 - Expenditures by CATEGORY

EXPENDITURES BY CATEGORY	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Total Personnel	\$ 257,468	\$ 157,900	\$ 99,568	63%	\$ 257,468	\$ 96,000
Radio service fee	9,000	9,000	-	0%	7,454	8,086
Computer maintenance	8,500	8,500	-	0%	4,500	3,795
Professional services	25,000	180,000	(155,000)	-86%	1,000	8,446
Computer hardware	10,000	268,000	(258,000)	-96%	-	12,175
Operating contingency **	30,000	8,000	22,000	275%	-	-
Other supplies & services	-	-	-	n/a	-	20
Total Supplies & Services	82,500	473,500	(391,000)	-83%	12,954	32,522
Total Capital	-	-	-	n/a	-	-
Total Expenditures	\$ 339,968	\$ 631,400	\$ (291,432)	-46%	\$ 270,422	\$ 128,522

* Adopted funding levels for the 2018/19 budget year

**operating contingency also contains contingency for computer hard ware

ALARM SERVICES

LINE ITEMS (DETAIL)

ALRM Table 3 - Line item revenue and expenditures

50-37/40-ID		2016/17	2017/18		2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in Amount %
870	ALARM SERVICE FEE	190,727	185,000	190,000	190,000	185,000	(5,000) -3%
TOTAL REVENUE & TRANSFERS IN		190,833	185,000	190,000	190,000	185,000	(5,000) -3%
235	RADIO SERVICE FEES	8,086	7,454	9,000	9,000	9,000	- 0%
290	SOFTWARE MAINTENANCE CONTRACT	2,995	4,500	4,500	4,500	4,500	- 0%
330	GENERAL PROFESSIONAL SERVICES	8,446	1,000	180,000	180,000	25,000	(155,000) -86%
570	COMPUTER HARDWARE MAINTENANC	800	-	4,000	4,000	4,000	- 0%
850	BAD DEBT EXPENSE	20	-	-	-	-	- n/a
863	COMPUTER HARDWARE	12,175	-	268,000	268,000	10,000	(258,000) -96%
980	ADMIN FEE ALLOCATION	96,000	257,468	157,900	157,900	257,468	99,568 63%
999	OPERATING CONTINGENCY	-	-	8,000	8,000	30,000	22,000 275%
TOTAL EXPENDITURES		128,522	270,422	631,400	631,400	339,968	\$ (291,432) -46%
Revenue over (under) Expenditures		62,311	(85,422)	(441,400)	(441,400)	(154,968)	

FIRE SERVICES

OFFICE PURPOSE & DESCRIPTION

The Fire Service fund was established to record activity associated with the fire service fee which began January 1, 2013. State Legislation was passed in 2014 that permanently allows the collection of the Town's fee. The City of Phoenix provides fire services via a contract with the Town in which costs are shared equally. The Town constructed both fire stations (the associated debt service is not paid from this fund) and the station operating costs are reimbursed from the operating budget. Emergency medical services are provided by a private company which operates from leased Town property.

Fire Service Rates were designed to recover operating costs, but not the construction costs of the fire stations. There are residential rate tiers and commercial rates are based on the zoned use of the property.

The revenue in this 2018/19 budget reflects the continuation of the one-month discount program if a customer pays the entire annual amount due by February 20th.

FUNDING LEVELS

Funding for Fire Services consists of fees paid by customers and an Intergovernmental Agreement, Rents & reimbursements, and a transfer from General fund. Funding is budgeted to **decrease by \$70,800 (-2%)**.

FIRE Table 1 - Funding by Source

Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Fire service fee	\$2,851,000	\$2,851,000	\$ -	0%	\$2,845,789	\$2,841,605
Fire service IGA fee	245,000	245,000	-	0%	245,000	218,500
Rents & reimbursements	60,000	76,000	(16,000)	-21%	56,951	61,855
Use (Savings) of fund balance	-	4,800	(4,800)	-100%	(82,568)	(415,883)
General fund transfer in	-	50,000	(50,000)	-100%	50,000	50,000
Total Sources	\$3,156,000	\$3,226,800	\$ (70,800)	-2%	\$3,115,172	\$2,756,077

* Adopted funding levels for the 2018/19 budget year

FIRE SERVICES

► EXPENDITURES ◀

The Fire Services recommended budget of \$3,156,000 is \$70,800 (-2%) less than the prior fiscal year. This results primarily from changes in:

Personnel: The net decrease of \$398 is essentially the same as last fiscal year (-0.24%)

Supplies and services: The net decrease of \$116,277 or -4% is a reduction in budget maintenance services, IGA costs with the City of Phoenix and nominal reductions in various other line items.

FIRE Table 2 - Expenditures by CATEGORY						
EXPENDITURES BY CATEGORY		Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18
						Actual 2016/17
Total Personnel		\$ 165,602	\$ 166,000	\$ (398)	0%	\$ 165,602
Supplies & Services	Utilities	45,112	44,800	312	1%	44,513
	PHX IGA	2,609,125	2,705,000	(95,875)	-4%	2,705,000
	Maintenance services	18,500	36,800	(18,300)	-50%	20,000
	Third party reimbursements	129,000	129,000	-	0%	128,890
	Operating contingency	76,386	60,000	16,386	27%	-
	Other supplies & services	66,400	85,200	(18,800)	-22%	51,167
Total Supplies & Services		2,944,523	3,060,800	(116,277)	-4%	2,949,570
Assigned for future years		45,875	-	45,875	n/a	-
Total Expenditures		\$3,156,000	\$3,226,800	\$ (70,800)	-2%	\$3,115,172
* Recommended funding levels for the 2018/19 budget year						

FIRE SERVICES

LINE ITEMS (DETAIL)

FIRE Table 3 - Line item revenue and expenditures

53-30/40-ID		2016/17	2017/18			2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in	
							Amount	%
870	FIRE SERVICE FEE	2,839,685	2,845,405	2,850,000	2,850,000	2,850,000	-	0%
872	FIRE SERVICE IGA FEE	218,500	245,000	245,000	245,000	245,000	-	0%
616	MISC INTEREST	-	-	17,000	17,000		(17,000)	-100%
425	PROCESS SERVICE FEE - FIRE	1,920	384	1,000	1,000	1,000	-	0%
711	PMT HOUSE RENTAL	36,000	36,000	35,000	35,000	36,000	1,000	3%
766	THIRD PARTY FIRE SERV REIMBURS	25,855	20,951	24,000	24,000	24,000	-	0%
991	TRANSFER FROM GENERAL FUND	50,000	50,000	50,000	50,000	-	(50,000)	-100%
TOTAL REVENUE & TRANSFERS IN		3,172,066	3,197,740	3,222,000	3,222,000	3,156,000	(66,000)	-2%
210	WATER	4,783	4,400	4,400	4,400	5,400	1,000	23%
214	FIRE SERVICE FEE	1,155	1,200	1,200	1,200	1,200	-	0%
215	ELECTRICITY	28,810	32,000	32,000	32,000	32,000	-	0%
217	SEWER SERVICE FEES	3,478	4,100	4,100	4,100	4,100	-	0%
220	NATURAL GAS	2,846	2,813	3,100	3,100	2,412	(688)	-22%
330	GENERAL PROFESSIONAL SERVICES	6,519	9,586	15,100	15,100	15,100	0	0%
333	JANITORIAL SERVICE	-	-	2,200	2,200	2,200	-	0%
335	PHOENIX IGA	2,331,583	2,705,000	2,705,000	2,705,000	2,609,125	(95,875)	-4%
342	THIRD PARTY REIMBURSEMENTS	122,178	128,890	-	129,000	129,000	-	0%
435	GAS & OIL	14,612	13,682	129,000	20,000	20,000	-	0%
560	FACILITIES REPAIRS & MAINT	37,499	20,000	35,000	20,000	18,500	(1,500)	-8%
580	FIRE HYDRANT MAINTENANCE	16,672		16,800	16,800		(16,800)	-100%
595	LANDSCAPE MAINT	-	-	-	-	1,200	1,200	n/a
634	ENVIRONMENTAL DISPOSAL FEE	1,134	1,500	1,500	1,500	1,500	-	0%
635	PEST CONTROL	1,350	1,400	1,400	1,400	1,400	-	0%
840	FIRE DEFAULT LICENSE FEE (MISC)	20,000	20,000	20,000	35,000	20,000	(15,000)	-43%
850	BAD DEBT EXPENSE	2,459	5,000	10,000	10,000	5,000	(5,000)	-50%
980	ALLOCATE ADMINISTRATIVE FEES	161,000	165,602	166,000	166,000	165,602	(398)	0%
999	OPERATING CONTINGENCY	-	-	60,000	60,000	76,386	16,386	27%
999	ASSIGNED TO FUTURE YEAR					45,875		
TOTAL EXPENDITURES		2,756,077	3,115,172	3,206,800	3,226,800	3,156,000	\$ (70,800)	-2%
Revenue over (under) Expenditures		415,989	82,568	15,200	(4,800)	(0)		

FIRE SERVICES

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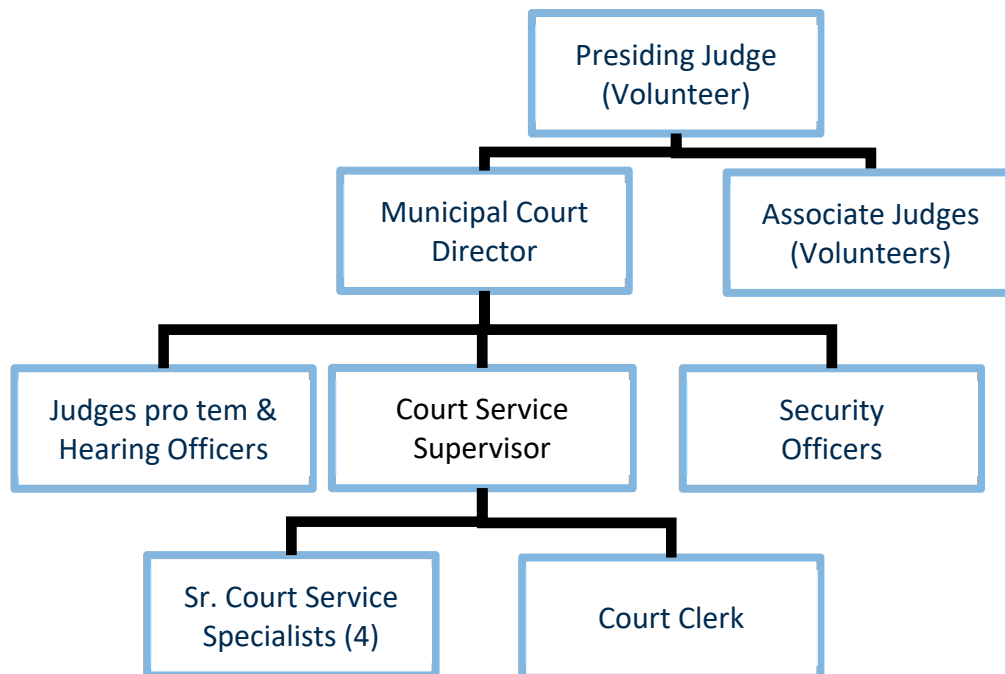
MUNICIPAL COURT

► **MISSION:** To provide a professional and dignified forum for the efficient, fair and swift resolution of all matters that come before the Court.

OFFICE PURPOSE & DESCRIPTION

The Municipal Court is the independent judicial branch of the Town government. The Court adjudicates all criminal misdemeanors, code violations, traffic violations and certain juvenile offenses. The Court issues protective orders in cases of domestic violence and harassment. The Presiding Judge, Associate Judges, Judges Pro Tem and Hearing Officers are all volunteers. The Judges are appointed by the Town Council for a two year term. The Hearing Officers are appointed by the Presiding Judge.

ORGANIZATIONAL CHART



Operations of the Municipal Court are managed by the Municipal Court Director; the Director reports to the Presiding Judge.

MUNICIPAL COURT

▶ COURT FACTS ◀

- ▶ Paradise Valley Municipal Court is 1 of 83 Municipal Courts in Arizona and is the **6th** largest Municipal Court in the State in terms of case volume.
 - ▶ The Court has the highest case-to-personnel ratio (8,214) of the 83 Municipal Courts.
 - ▶ Paradise Valley Municipal Court is the **ONLY** court in the nation that operates with a 100% volunteer judicial bench.
 - ▶ The Court has 8 volunteer judges appointed by Council and 2 hearing officers appointed by the Presiding Judge.
 - ▶ Many of our Judges have volunteered for over 26 years, including our Presiding Judge, J. Tyrrell Taber.
 - ▶ Security guards screened 10,065 visitors entering the Court building in FY 2017 and confiscated 219 prohibited items such as guns, pocket knives, screwdrivers and pepper spray.
-

▶ SERVICE STATS ◀

- ▶ Cost-per-Case - \$14.79: the cost of processing a single case in Paradise Valley calculated by cases filed divided into actual expenditures (the average cost-per-case for Arizona Municipal Courts is \$82.76).
- ▶ Case Clearance Rate – 109%: the number of outgoing (disposed) cases as a percentage of the number of incoming (filed) cases; more cases terminated than filed based on increased collection/adjudication efforts on outstanding cases in accordance with the Arizona Supreme Court's case processing time standards.
- ▶ Tax Intercept Program (TIP), automated program operated by the Arizona Supreme Court that intercepts debtors' state income tax refunds and lottery winnings for overdue Court payments, collected \$12,337.47.

MUNICIPAL COURT

STAFFING LEVELS

Due to the addition of photo enforcement cameras in 2015, the court has been experimenting with staffing levels to match the increased work load. In FY 2016/17, five (5) temporary part-time Court Clerks were funded. In FY 2017/18, one new full-time position and three (3) temporary part-time Court Clerks were funded. In FY 2018/19, funding is approved for one (1) additional Court clerk and no temporary part-time Court Clerks. The cost of this added full-time position is offset with the reduction of temporary labor services. Table 1 below displays the department's positions, by classification.

MC Table 1 - Authorized positions by CLASSIFICATION				
POSITION CLASSIFICATION	2018/19*	2017/18	2016/17	2015/16
Municipal court director	1.0	1.0	1.0	1.0
Court service supervisor	1.0	1.0	1.0	1.0
Sr. court services specialist	3.0	2.0	1.0	1.0
Court clerk	2.0	2.0	2.0	2.0
Total full time equivalents	7.0	6.0	5.0	5.0
Temporary part time court clerk(s)	-	3.0	5.0	-
Temporary part time security officers	3.0	3.0	3.0	3.0

FUNDING LEVELS

Funding for the Court consists of General fund resources, Court enhancement fees and other grants. Overall, funding is **increased by \$33,815 (4%)**; a decrease of \$(8,085) in general resources and an increase of \$41,900 in Enhancement fees.

MC Table 2 - Funding by Source						
Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
General Fund	\$ 789,633	\$ 797,718	\$ (8,085)	-1%	\$ 726,900	\$ 687,139
Court enhancement fees	201,100	159,200	41,900	26%	157,700	168,171
Other grant(s)	2,500	2,500	-	0%	2,500	933
Total Sources	\$ 993,233	\$ 959,418	\$ 33,815	4%	\$ 887,100	\$ 856,243
* Adopted funding levels for the 2018/19 budget year						

MUNICIPAL COURT

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MUNICIPAL COURT

► EXPENDITURES ◀

Table 6 below displays total expenditures by CATEGORY (Personnel, Supplies & Services and Capital) with a mid-level grouping of major line items.

MC Table 3 - Expenditures by CATEGORY						
EXPENDITURES BY		Budget	Budget	Change	Change	Projected
CATEGORY		2018/19*	2017/18	\$	%	2017/18
Total Personnel		\$ 609,164	\$ 556,218	\$ 52,946	10%	\$ 499,499
Supplies & Services	Temporary labor	-	70,000	(70,000)	-100%	46,320
	Professional services	103,900	83,500	20,400	24%	102,057
	Liability insurance	26,289	25,000	1,289	5%	25,400
	Training and travel	15,230	23,900	(8,670)	-36%	23,588
	CC processing	13,000	15,000	(2,000)	-13%	12,279
	Loan & lease payments	129,200	129,200	-	0%	129,200
	Other supplies & services	96,450	56,600	39,850	70%	48,757
Total Supplies & Services		384,069	403,200	(19,131)	-5%	387,601
Total Capital		-	-	-	n/a	-
Total Expenditures		\$ 993,233	\$ 959,418	\$ 33,815	4%	\$ 887,100

* Adopted funding levels for the 2018/19 budget year

As illustrated in Table 6, the budget of \$993,233 is \$33,815 (4%) more than the prior fiscal year. This results primarily from changes in:

Personnel: The net increase of \$52,946 (10%) covers the Town-wide adjustments for salaries and benefits and the addition of one (1) Sr. court services specialist position.

Supplies and services: The net decrease of \$(19,131) or (-5%) is a product of a reduction in temporary services (\$70,000), travel and training (\$8,670), credit card processing fees (\$2,000) with increases in liability insurance (\$1,289), professional services for a mandated audit and indigent defense services and security services (\$20,400). The increase in "Other supplies & services" of \$39,850 is net of various line items nominal increases and decreases and \$41,900 for Security upgrades for the Courts facilities paid with Court Enhancement funds.

Capital: There is no specific capital spending budgeted for this fiscal year.

MUNICIPAL COURT

LINE ITEMS (DETAIL)

MC Table 4 - Line item expenditures: COURT OPERATIONS

10-50-ID		2016/17	2017/18		2018/19 Adopted			
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in	
							Amount	%
100	SALARIES AND WAGES	\$ 301,570	\$ 363,997	\$ 412,500	\$ 425,500	\$ 427,570	\$ 2,070	0%
105	OVERTIME	8,029	11,730	8,000	8,000	8,000	-	0%
115	EMPLOYEE BENEFITS-FICA	23,119	27,072	29,000	30,000	32,514	2,514	8%
120	EMPLOYEE BENEFITS-RETIREMENT	38,820	51,851	44,500	46,488	51,347	4,859	10%
125	EMPLOYEE BENEFITS-WORKERS COMP	1,659	1,675	900	900	1,173	273	30%
130	EMPLOYEE BENEFITS-MED/DENTAL	41,322	41,730	52,900	41,730	75,154	33,424	80%
135	EMPLOYEE BENEFITS-DISABIL/LIFE	2,032	258	2,200	2,200	2,956	756	34%
136	Short term disability	-	-	-	-	3,270	3,270	n/a
161	EMPLOYEE BENEFIT - CELL PHONE	1,495	1,150	1,400	1,400	2,760	1,360	97%
186	HSA	19,955	36	22,000	-	2,600	2,600	n/a
191	Def comp					1,820	1,820	n/a
TOTAL PERSONNEL		438,000	499,499	573,400	556,218	609,164	52,946	10%
325	FINANCIAL AUDITORS	3,400		-	-	3,400	3,400	n/a
330	GENERAL PROFESSIONAL SERVICES	76,882	77,165	69,500	69,500	77,500	8,000	12%
334	ARMORED CAR SERVICE	5,242	5,376	5,500	5,500	5,500	-	0%
340	INDIGENT LEGAL AID	16,230	19,516	8,500	8,500	17,500	9,000	n/a
341	CREDIT CARD EXPENSE	10,310	12,279	15,000	15,000	13,000	(2,000)	-13%
345	INTERPRETER	2,601	1,360	3,500	3,500	3,500	-	0%
352	COURT CREDIT REPORTING	2,176	2,724	3,000	3,000	3,000	-	0%
365	MESSENGER/PROCESS SERVICE	-	-	400	400	400	-	0%
375	TEMPORARY LABOR	85,685	46,320	69,000	70,000	-	(70,000)	n/a
400	COURT ROBES	-	500	500	500	500	-	0%
465	OFFICE SUPPLIES	7,224	7,764	7,800	7,800	7,800	-	0%
485	PRINTING	1,075	730	1,000	1,000	1,000	-	0%
540	LIABILITY INSURANCE	20,911	25,400	25,000	25,000	26,289	1,289	5%
670	DINNERS, LUNCHEONS, ETC.	1,309	1,162	1,300	1,300	1,300	-	0%
675	DUES	500	785	800	800	800	-	0%
710	JURY	25	700	1,000	1,000	1,500	500	50%
725	MILEAGE-MISCELLANEOUS TRAVEL	415	360	400	400	400	-	0%
770	STAFF TRAINING	6,597	7,623	7,700	7,700	7,400	(300)	-4%
790	SUBSCRIPTIONS & PUBLICATIONS	807	800	800	800	800	-	0%
815	TRAINING TRAVEL	6,360	15,605	15,800	15,800	7,430	(8,370)	-53%
840	MISCELLANEOUS	416	160	2,800	2,800	250	(2,550)	-91%
842	RECORDS RETENTION	974	1,072	1,200	1,200	1,200	-	0%
TOTAL SUPPLIES & SERVICES		249,139	227,401	240,500	241,500	180,469	(61,031)	-25%
TOTAL CAPITAL OUTLAY		-	-	-	-	-	-	n/a
TOTAL		\$ 687,140	\$ 726,900	\$ 813,900	\$ 797,718	\$ 789,633	\$ (8,085)	-1%

MUNICIPAL COURT

LINE ITEMS (DETAIL)

MC Table 5 - Line item expenditures: COURT ENHANCMENT FEES

21-40-ID		2016/17	2017/18			2018/19 Adopted		
		Prior Year	Year end	Budget	Budget	Budget	Change in	
ID	Account Title	Actual	Projected	Original	Amended	2018/19	Amount	%
986	MISCELLANEOUS	\$ 36,733	\$ 28,500	\$ 30,000	\$ 30,000	\$ 71,900	\$ 41,900	140%
987	INTEREST PAYMENT	16,438	14,200	14,200	14,200	14,200	-	0%
988	PRINCIPAL PAYMENT	90,000	90,000	90,000	90,000	90,000	-	0%
989	LAND LEASE PAYMENT	25,000	25,000	25,000	25,000	25,000	-	0%
TOTAL		\$ 168,171	\$ 157,700	\$ 159,200	\$ 159,200	\$ 201,100	\$ 41,900	26%

MC Table 6 - Line item expenditures: JCEF

23-40-ID		2016/17	2017/18			2018/19 Adopted		
		Prior Year	Year end	Budget	Budget	Budget	Change in	
ID	Account Title	Actual	Projected	Original	Amended	2018/19	Amount	%
985	MISCELLANEOUS	\$ 933	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ -	0%
TOTAL		\$ 933	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ -	0%

MUNICIPAL COURT

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POLICE DEPARTMENT

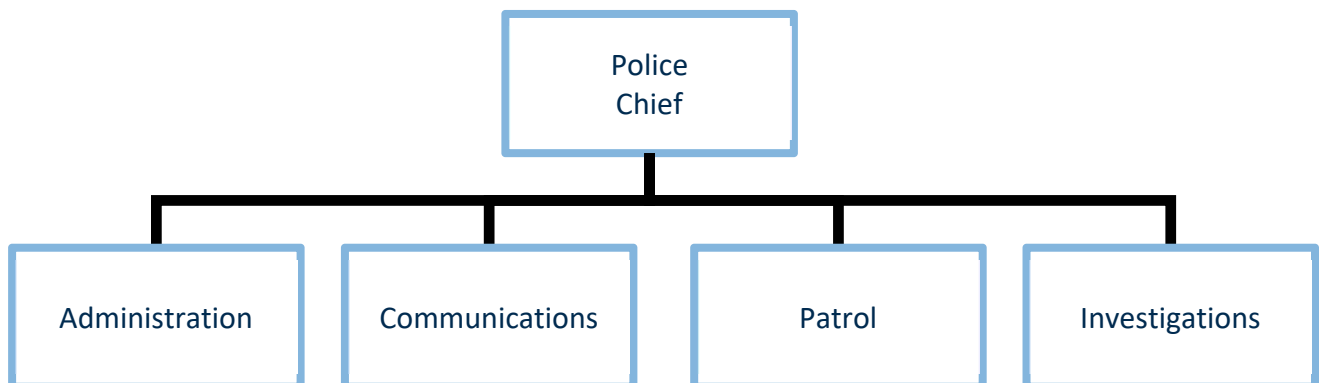
► **MISSION:** To provide high quality police services to our community, reduce crime and the fear of crime, by working with all citizens, preserve life, protect property, promote individual responsibility and encourage community involvement.

► **VISION:** To Maintain a strong Police-Community partnerships to keep our neighborhoods crime free and to eliminate fear of crime in our community.

OFFICE PURPOSE & DESCRIPTION

We provide high quality police services 24 hours per day, 7 days per week, 365 days during the year. We are always open! The service we provide includes responding to crimes, traffic collisions, medical emergencies, fines, public safety hazards, domestic disputes and other community needs. We strive to fulfill the needs of our community through our Vacation Watch program, the Medication Drop Box, and regular visits to neighborhood schools, among other community oriented policing programs. We believe in high level of communication with our community and achieve that level through both traditional methods of communication (newspaper reports and columns) and non-traditional media platforms (social media and emergency notification methods).

ORGANIZATIONAL CHART



The Police Department is managed by the Police Chief; the Chief reports to the Town Manager.

POLICE DEPARTMENT



GOALS



Goal 1: Reduce Crime and the Fear of Crime

Goal 2: Encourage Community Empowerment

Goal 3: Develop and Empower Department Personnel

Goal 4: Incorporate Technology into the Department

Goal 5: Review and Improve Work Product



HIGHLIGHTS



Data from 2017

- ▶ Nearly 7% **decrease** in FBI Part 1 Crimes
 - ▷ Over 6% **decrease** in FBI Part 1 Violent Crimes (Homicide, Sexual Assault, Aggravated Assault and Robbery)
 - ▷ Nearly 6% **reduction** in FBI Part 1 Property Crimes (Burglary, Theft, Motor Vehicle Theft, Arson)
- ▶ Over 12% **decrease** in Motor Vehicle collisions
- ▶ Nearly 75% **increase** in Calls for Service since 2014
- ▶ Over 135% **increase** in Officer Initiated Activity since 2014
- ▶ Successful completion of ACJIS (Arizona Criminal Justice Information System) Operation Audit
- ▶ Recognized as Arizona's #1 Law Enforcement Fundraising Agency, Per Capita by Special Olympics Arizona
- ▶ Successful implementation of Data Driven Approaches to Crime and Traffic Safety (DDACTS) operational model
- ▶ Became first Law Enforcement Agency in Arizona to use all-electric police motorcycle on regular patrol
- ▶ Named 2nd Safest Municipality in Valley of the Sun by 12 News.com and AZFamily.com

POLICE DEPARTMENT

▶ SERVICE STATS ◀

Calendar Year Service Levels					
PRIMARY FUNCTION**	% Change*	2017	2016	2015	2014
Calls for service	74.3%	49,721	44,651	29,789	28,526
Dispatched calls	15.8%	11,437	10,939	11,930	9,875
Officer self-initiated activity	135.1%	43,725	31,451	17,864	18,599
Traffic contacts	85.2%	5,288	4,952	2,178	2,856
Alarm dispatched	21.3%	3,708	3,206	3,188	3,056
Vehicle impounds processed	102.0%	309	153	n/a	n/a
Background checks	57.1%	1,472	937	n/a	n/a
911 calls received	-3.9%	5,583	5,338	5,807	n/a
Recovered property value	682.2%	\$484,212	\$155,518	\$61,900	n/a
Incidents per officer	60.4%	1,912	1,717	1,192	n/a
Public records request	251.3%	404	349	115	n/a
* % change is based on 2017 and the latest year of presented data					

POLICE DEPARTMENT

STAFFING LEVELS

Staffing levels have incrementally increased from 2015/16 through 2017/18. There are three (3) full time and four (4) part-time regular positions to be added for the 2018/19 budget. This results in an increase of five (5) Full-time equivalents.

The full time positions include: One (1) new Communications specialists (aka. Dispatcher) in Communications unit, one (1) new Alarm monitor in the Administration unit and one (1) Public safety analyst being converted from temporary to regular. The Part time positions are for sworn officers to review photo radar citations per a new AZ state mandate; and the temporary position converted to full-time is a Public safety analyst.

Table 1 below displays the department's positions, by classification.

PD Table 1 - Authorized positions by CLASSIFICATION				
POSITION CLASSIFICATION	2018/19*	2017/18	2016/17	2015/16
Chief of police	1.0	1.0	1.0	1.0
Special services lieutenant	2.0	2.0	1.0	1.0
Commander	-	-	1.0	1.0
Community resource officer	1.0	1.0	1.0	1.0
Crime analyst	1.0	1.0	-	-
Police administrative assistant	2.0	2.0	2.0	2.0
Sr administrative support specialist	1.0	1.0	1.0	1.0
Public safety analyst	1.0	-	-	-
Part-Time Officers (0.5 FTE)	2.0	-	-	-
Alarm monitor	1.0	-	-	-
Communications manager	1.0	1.0	-	-
Communications supervisor	-	-	1.0	-
Communications specialist	5.0	4.0	4.0	5.0
Lieutenant	-	1.0	1.0	-
Sergeant	4.0	4.0	4.0	4.0
Corporal	4.0	4.0	4.0	4.0
Officers	17.0	16.0	16.0	16.0
Detective sergeant	1.0	1.0	1.0	-
Detective corporal	1.0	-	-	-
Investigator	3.0	4.0	4.0	5.0
Evidence technician	1.0	1.0	-	-
Total full time equivalents	49.0	44.0	42.0	41.0
Communications specialist (temp PT)	1.0	2.0	1.0	-
Public safety analyst	-	1.0	-	-
Evidence technician (temp FT)	-	-	1.0	-

POLICE DEPARTMENT

STAFFING LEVELS

Table 2 below shows the number of Sworn positions and civilian positions.

PD Table 2 - TOTAL Authorized positions				
	2018/19	2017/18	2016/17	2015/16
Sworn	34.0	34.0	34.0	33.0
Civilian	15.0	10.0	8.0	8.0
Total full time equivalents	49.0	44.0	42.0	41.0

Table 3 shows the positions by service

PD Table 3 - Authorized positions by PRIMARY FUNCTION				
PRIMARY FUNCTION*	2018/19	2017/18	2016/17	2015/16
Administration	12.0	8.0	7.0	7.0
Communications	6.0	5.0	5.0	5.0
Patrol	25.0	25.0	25.0	24.0
Investigations	6.0	6.0	5.0	5.0
Total full time equivalents	49.0	44.0	42.0	41.0
* the Chief is listed in Administration				

Communications: One (1) new Communication specialist (aka Dispatcher):

One dispatcher works in dispatch at all times, 24 hours per day, 365 days per year. Currently dispatch is at minimum staffing and every vacation, training, sick or unplanned leave must be covered by overtime or the manager. The addition of one full time position will allow both planned and unplanned leave without creating as much of a staffing shortfall. One full time dispatcher will bring the dispatch staffing level closer to the industry standard.

This position will provide coverage beyond minimum staffing and alleviate the increased workload in the dispatch center during peak times. The National Emergency Number Association (NENA) recommends a 10 second standard to answer a 911 phone, during a busy hour. Paradise Valley had an average of 6.2 seconds during 2017. However, in 2017 when a large incident created multiple 911 calls, 911 answer times exceeded 40 seconds. One more dispatcher would create an opportunity to have overlap during the busiest times and reach the suggested NENA standards.

Administration: One (1) new Alarm Coordinator:

Recently, the Town Council made two decisions affecting the alarms in Paradise Valley. In March, a contract was signed to continue the Paradise Valley alarm monitoring program by using a vendor to provide the infrastructure, while Paradise Valley continues to provide the support, customer service and dispatch of Paradise Valley Alarm Monitoring accounts. Additionally in late March, the Town Council, at the request of the Chief of Police, committed to enforcing the current false alarm ordinance, including assessment of false alarm. The alarm coordinator position will complete the duties and tasks associated with both the Paradise Valley Alarm monitoring programs and the false alarm reduction.

POLICE DEPARTMENT

FUNDING LEVELS

Funding for the Police department consists of General resources, Enterprises and other grants (including donations). Overall, funding is **increasing by \$671,203 (8%)**. Enterprise funding remains constant, other grants increase of \$39,184 is a result of prior year carry overs, and General resources increasing by \$632,019 (8%).

PD Table 4 - Funding by Source

Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
General Fund	\$8,966,067	\$8,334,048	\$ 632,019	8%	\$8,840,658	\$13,967,149
Enterprises	182,700	182,700	-	0%	182,700	71,406
Other grant(s)	142,184	103,000	39,184	38%	100,052	116,396
Total Sources	\$9,290,951	\$8,619,748	\$ 671,203	8%	\$9,123,410	\$14,154,951

* Adopted funding levels for the 2018/19 budget year

** Police provides direct Communication services to Alarm (enterprise)

EXPENDITURES

There are five (5) primary functions (cost centers) in the Police Department for budgetary purposes. Table 5 below displays the Police budget by function.

PD Table 5 - Expenditures by PRIMARY FUNCTION

PRIMARY FUNCTION	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Administration	\$2,832,539	\$2,297,122	\$ 535,417	23%	\$2,367,700	\$ 2,148,292
Communication	697,359	631,060	66,299	11%	549,703	501,911
Patrol	4,607,045	4,536,626	70,419	2%	5,095,855	10,388,613
Investigations	1,011,824	1,051,940	(40,116)	-4%	1,010,100	999,739
Grants and donations	142,184	103,000	39,184	38%	100,052	116,396
Total Expenditures	\$9,290,951	\$8,619,748	\$ 632,019	8%	\$9,123,410	\$14,154,951

* Adopted funding levels for the 2018/19 budget year

Grants and donation: The increase of \$39,184 (38%) is driven by status quo revenues by budgeting prior year's carry over balances for spending, and increasing the expenditure budget to match the revenue budget. Should these grants and donations not materialize, then spending of these lines items will not occur.

POLICE DEPARTMENT

► EXPENDITURES ◀

Administration: The increase of \$535,417 (23%) consists of:

- ▶ License Plate Recognition (LPR) program (\$87k).
 - ▷ LPR Electronic Maintenance Agreement (EMA).
 - ▷ LPR at Stanford and 40th Street has been hit by a large vehicle on three occasions; \$27,500 would move the camera within the traffic circle.
- ▶ Paradise Valley is currently the only municipality in Arizona to use a “duly authorized agent” to review and sign photo enforcement citations. Senate Bill 1110 mandates that photo enforcement citations be signed by law enforcement personnel. To comply with the Senate Bill, staff has requested four part time police officers to review and sign photo enforcement citations.
- ▶ The addition of an alarm coordinator position to administer the Paradise Valley alarm monitoring program and assist in enforcement of the False Alarm Ordinance.
- ▶ An expanded surveillance system (\$55,000) is requested for inside and outside the police department. This request would add cameras to high risk facilities and better angles to see inmates when housed in the jail facility. Also, this would provide video surveillance to an interview room, exterior cameras, and expand the parking lot coverage to include the exchange zone spaces.
- ▶ A \$60,000 increase in photo enforcement process server fees is based on recent trends. More citations are being assigned to process servers for completion than previously.

Communication: The increase of \$66,299 is driven by the recommendation for an additional dispatcher. The personnel costs in communication with the new dispatcher increase by 24%, while the supplies and services budget decreases by 17%.

Patrol: The increase of \$70,419 is a product of the recommendation for body worn camera replacement. Paradise Valley provided body worn video cameras to all officers during 2014. The beneficial change in technology over the past four years provides new features, ease of data naming, transfer and redaction. The current cameras are suffering from battery failures and mid-incident stoppages and have reached the end of their serviceable life.

Investigations: The decrease of \$40,116 (-4%) is factored by to personnel costs (\$34,905). Newer officers are now assigned to investigations, decreasing the total dollars needed to cover the overall benefit package. Many of the former investigators have retired and been replaced with younger detectives.

POLICE DEPARTMENT

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POLICE DEPARTMENT

► EXPENDITURES ◀

Table 6 below displays total expenditures by CATEGORY (Personnel, Supplies & Services and Capital) with a mid-level grouping of major line items.

PD Table 6 - Expenditures by CATEGORY						
EXPENDITURES BY CATEGORY		Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18
						Actual 2016/17
Total Personnel		\$7,032,003	\$6,644,148	\$ 387,855	6%	\$7,153,793
Supplies & Services	Miscellaneous (New Svs)	240,879	36,300	204,579	564%	35,600
	FF&E; weapons & ammo	91,700	90,250	1,450	2%	90,250
	Liability insurance	189,099	172,289	16,810	10%	177,805
	Training and travel	70,200	61,100	9,100	15%	61,348
	Photo enforcement	780,284	721,000	59,284	8%	769,962
	Gas and oil	72,000	72,000	-	0%	63,000
	Other supplies & services	472,786	527,361	(54,575)	-10%	476,352
Total Supplies & Services		1,916,948	1,680,300	236,648	14%	1,674,317
Total Capital		342,000	295,300	46,700	n/a	295,300
Total Expenditures		\$9,290,951	\$8,619,748	\$ 671,203	8%	\$9,123,410
* Adopted funding levels for the 2018/19 budget year						

As illustrated in Table 6, the budget of \$9,290,951 is \$671,203 or 8% more than the prior fiscal year. This results primarily from changes in:

Personnel: The net increase of \$387,855 (6%) covers Town-wide adjustments to salaries and benefits and the addition of five (5) new full-time equivalent positions: one (1) Alarm monitor, one (1) Communications specialists, one (1) Public safety analyst converting from temporary to full-time and four (4) part-time officers.

Supplies and services: The bulk of the increase of \$236,648 (14%) is in the supplies and services is a result of the request for expansion, repositioning and electronic maintenance agreement of the License Plate Recognition program (\$87k). Other large increases include liability insurance, which is due to the increase in the marketplace (\$17k), and photo enforcement process server fees, which are increasing due to volume (\$60k). An increase in independent lab fees of \$15,000 will be used to reanalyze evidence on an open homicide by a private laboratory. An increase of \$18,000 in the Office furniture and fixtures line item will provide office furniture and computers for the part time photo enforcement officers, the alarm coordinator, and the analyst. A fifteen percent increase (\$9k) in training will allow ongoing training in our fundamental software platforms (New World and Brazos), by bringing the vendor to Paradise Valley to train staff.

Capital: Of the recommended budget of \$342,000; \$212,000 is for replacement vehicles to maintain the Department's fleet as part of the Town's vehicle replacement program, \$10,000 to upgrade ballistic protection for the current fleet and \$120,000 for the replacement of body cameras.

POLICE DEPARTMENT

LINE ITEMS (DETAIL)

PD Table 7 - Line item expenditures: ADMINISTRATION								
10-62-ID		2016/17	2017/18			2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in	
							Amount	%
100	SALARIES AND WAGES	\$ 629,210	\$ 739,958	\$ 636,000	\$ 656,000	\$ 765,056	\$109,056	17%
105	OVERTIME	20,130	11,717	16,000	16,000	15,000	(1,000)	-6%
115	EMPLOYEE BENEFITS-FICA	48,059	45,803	48,900	50,900	56,131	5,231	10%
120	EMPLOYEE BENEFITS-RETIREMENT	349,582	290,330	340,700	357,862	346,797	(11,065)	-3%
125	EMPLOYEE BENEFITS-WORKERS COM	30,208	42,421	23,300	24,300	26,879	2,579	11%
130	EMPLOYEE BENEFITS-MEDICAL	62,327	60,980	62,500	60,980	92,896	31,916	52%
136	Short term disability	-	-	-	-	5,671	5,671	n/a
132	CANCER INSURANCE	200	416	400	400	375	(25)	-6%
135	EMPLOYEE BENEFITS-DISABIL/LIFE	5,358	796	5,500	5,500	6,658	1,158	21%
160	EMPLOYEE BENEFITS-CLOTHING	7,343	4,800	5,200	5,200	7,070	1,870	36%
161	EMPLOYEE BENEFIT - CELL PHONE	7,475	5,750	7,000	7,000	8,280	1,280	18%
186	EMPLOYEE BENEFITS - H S A	24,240	13,200	23,600	14,300	16,900	2,600	18%
190	HOUSING ALLOWANCE	11,000	-	-	-	-	-	n/a
191	DEFERRED COMPENSATION	403	10,268	-	11,180	13,000	1,820	16%
326	MARICOPA CNTY ANIMAL CONTROL	9,171	9,500	9,500	9,500	9,800	300	3%
375	TEMPORARY LABOR	-	-	-	-	160,000	160,000	n/a
TOTAL PERSONNEL		1,204,707	1,235,938	1,178,600	1,219,122	1,530,513	311,391	26%

POLICE DEPARTMENT

PD Table 7 - Line item expenditures: ADMINISTRATION

10-62-ID		2016/17	2017/18			2018/19 Adopted		
		Prior Year	Year end	Budget	Budget	Budget	Change in	
ID	Account Title	Actual	Projected	Original	Amended	2018/19	Amount	%
330	GENERAL PROFESSIONAL SERVICES	10,109	28,600	28,600	28,600	28,600	-	0%
400	BADGES & UNIFORMS SUPPLIES	2,929	4,000	4,000	4,000	4,000	-	0%
465	OFFICE SUPPLIES	28,615	28,000	25,000	25,000	28,000	3,000	12%
466	AMMO, RANGE, TARGETS	11,276	16,000	16,000	16,000	13,000	(3,000)	-19%
485	PRINTING	-	500	1,500	1,500	1,500	-	0%
495	COMMUNITY OUTREACH PROGRAM	16,870	17,000	17,700	17,700	17,700	-	0%
540	LIABILIY INSURNACE	29,276	25,400	29,000	29,000	31,361	2,361	8%
670	MEALS	3,506	3,500	2,500	2,500	3,500	1,000	40%
675	DUES	3,454	4,000	4,600	4,600	3,962	(638)	-14%
715	LAB TESTS (INDEPENDENT LABS)	1,445	3,500	3,500	3,500	18,500	15,000	429%
720	LEGAL ADVERTISING	-		100	100		(100)	n/a
725	MILEAGE-MISCELLANEOUS TRAVEL	912	1,500	1,500	1,500	1,500	-	0%
730	OFFICER AWARDS PROGRAM	1,045	4,000	4,000	4,000	2,500	(1,500)	-38%
765	RECRUITING & EMPLOYMENT	5,241	7,200	7,200	7,200	7,840	640	9%
770	STAFF TRAINING	49,524	46,100	46,100	46,100	55,200	9,100	20%
780	POLICE PROP.-EVIDENCE STORAGE	3,772	24,000	24,000	24,000	9,000	(15,000)	-63%
790	SUBSCRIPTIONS & PUBLICATIONS	13,298	15,000	10,700	10,700	10,700	-	0%
795	SECURITY SYSTEM & CAMERA M&R	3,218	2,500	-	-	55,000	55,000	n/a
815	TRAINING TRAVEL	12,648	10,000	10,000	10,000	10,000	-	0%
840	MISCELLANEOUS	30,518	23,700	23,700	23,700	100,579	76,879	324%
842	RECORDS RETENTION	2,883	3,300	3,300	3,300	3,300	-	0%
866	OFFICE FURNITURE & FIXTURES	1,213	4,000	4,000	4,000	22,000	18,000	450%
869	EQUIPMENT REPAIRS & MAINT	207	2,500	2,500	2,500	2,500	-	0%
873	DUTY WEAPONS	19,392	13,000	13,000	13,000	17,000	4,000	31%
960	CAPITAL LEASE - INTEREST	4,720	1,300	1,300	1,300	1,300	-	0%
961	CAPITAL LEASE PRINCIPAL	94,603	73,200	73,200	73,200	73,200	-	0%
996	PHOTO ENFORCEMENT PHONE LINE	8,871	7,224	8,000	8,000	8,000	-	0%
997	PHOTO ENFORCEMENT PROCESS SEF	11,986	102,284	43,000	43,000	102,284	59,284	138%
999	PHOTO ENFORCEMENT FEES	572,057	660,454	670,000	670,000	670,000	-	0%
TOTAL SUPPLIES & SERVICES		943,585	1,131,762	1,078,000	1,078,000	1,302,026	224,026	21%
TOTAL CAPITAL OUTLAY		-	-	-	-	-	-	n/a
TOTAL		\$2,148,292	\$2,367,701	\$2,256,600	\$2,297,122	\$2,832,539	\$535,417	23%

POLICE DEPARTMENT

LINE ITEMS (DETAIL)

PD Table 8 - Line item expenditures: COMMUNICATIONS								
10-64-ID		2016/17	2017/18			2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in	
							Amount	%
100	SALARIES AND WAGES	\$ 278,357	\$ 276,378	\$ 287,700	\$ 298,700	\$ 340,938	42,238	14%
TBD	CTO Pay stipend	-	-	-	-	2,500	2,500	n/a
105	OVERTIME	16,234	19,698	18,000	18,000	23,000	5,000	28%
115	EMPLOYEE BENEFITS-FICA	22,178	22,650	23,300	24,300	27,122	2,822	12%
120	EMPLOYEE BENEFITS-RETIREMENT	32,408	37,575	35,400	36,616	43,141	6,525	18%
125	EMPLOYEE BENEFITS-WORKERS COMI	1,013	1,135	600	600	980	380	63%
130	EMPLOYEE BENEFITS-MEDICAL	26,398	31,944	32,800	31,944	65,010	33,066	104%
135	EMPLOYEE BENEFITS-DISABIL/LIFE	1,618	77	2,100	2,100	2,544	444	21%
136	Short term disability					2,695	2,695	n/a
160	EMPLOYEE BENEFITS-CLOTHING	899	675	3,000	3,000	3,600	600	20%
161	EMPLOYEE BENEFIT - CELL PHONE	1,495	1,150	1,400	1,400	1,380	(20)	-1%
191	DEFERRED COMPENSATION-457	92	2,304	-	2,600	4,940	2,340	90%
186	EMPLOYEE BENEFITS - H S A	16,438	2,400	14,800	2,600	6,500	3,900	150%
TOTAL PERSONNEL		397,131	395,986	419,100	421,860	524,350	102,490	24%
205	CELLULAR PHONE CHARGES	10,557	10,000	13,000	13,000	10,000	(3,000)	-23%
206	CELL PHONE PURCHASES	-	1,000	2,000	2,000	2,000	-	0%
260	MARICOPA REGIONAL NETWORK	26,970	28,000	28,000	28,000	-	(28,000)	n/a
261	RWC RADIO FEES	-	22,000	32,000	32,000	52,000	20,000	63%
265	PACE	4,270	4,200	5,100	5,100	4,200	(900)	-18%
375	TEMPORARY LABOR	21,024	20,000	60,000	61,000	50,000	(11,000)	-18%
490	RADIO/TELEPHONE BATTERIES	3,248	2,000	2,000	2,000	2,000	-	0%
540	LIABILITY INSURANCE	20,911	21,169	21,000	21,000	21,909	909	4%
575	NICE LOGGING RECORDER MAINTEN	-	500	500	500	500	-	0%
610	RADIO REPAIRS	16,713	22,200	22,200	22,200	22,200	-	0%
815	TRAINING TRAVEL	-	248	-	-	-	-	n/a
840	MISCELLANEOUS	1,087	12,500	12,500	12,500	1,200	(11,300)	-90%
869	EQUIPMENT	-	9,900	9,900	9,900	7,000	(2,900)	-29%
TOTAL SUPPLIES & SERVICES		104,780	153,717	208,200	209,200	173,009	(36,191)	-17%
TOTAL CAPITAL OUTLAY		-	-	-	-	-	-	n/a
TOTAL		\$501,911	\$549,702	\$627,300	\$631,060	\$ 697,359	\$ 66,299	11%

POLICE DEPARTMENT

LINE ITEMS (DETAIL)

PD Table 9 - Line item expenditures: PATROL

10-66-ID		2016/17	2017/18			2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in	
							Amount	%
100	SALARIES AND WAGES	\$ 1,879,766	\$2,433,666	\$1,844,700	\$1,896,700	\$1,952,198	\$ 55,498	3%
105	OVERTIME	145,647	119,192	125,000	125,000	153,000	28,000	22%
115	EMPLOYEE BENEFITS-FICA	151,072	143,974	148,500	154,500	156,796	2,296	1%
120	EMPLOYEE BENEFITS-RETIREMENT	7,424,319	1,398,557	6,337,000	1,404,417	1,261,953	(142,464)	-10%
125	EMPLOYEE BENEFITS-WORKERS COI	120,474	173,449	96,800	100,800	103,638	2,838	3%
130	EMPLOYEE BENEFITS-MEDICAL	239,048	213,229	232,400	213,229	253,301	40,072	19%
132	CANCER INSURANCE	1,250	2,500	2,400	2,400	1,875	(525)	-22%
135	EMPLOYEE BENEFITS-DISABIL/LIFE	22,546	1,278	22,500	22,500	23,310	810	4%
160	EMPLOYEE BENEFITS-CLOTHING	38,053	28,341	32,000	32,000	33,300	1,300	4%
161	EMPLOYEE BENEFIT - CELL PHONE	230	1,150	-	-	1,150	1,150	n/a
191	DEFERRED COMPENSATION-457	872	22,533	-	24,180	26,000	1,820	8%
186	EMPLOYEE BENEFITS - H S A	85,527	34,000	81,600	31,200	33,800	2,600	8%
TOTAL PERSONNEL		10,108,803	4,571,869	8,922,900	4,006,926	4,015,805	8,879	0%
350	JAIL FEES	21,322	22,000	20,000	20,000	24,000	4,000	20%
400	BADGES & UNIFORMS SUPPLIES	363	-	-	-	-	-	n/a
430	FIRST AID SUPPLIES	9,724	5,000	5,000	5,000	2,500	(2,500)	-50%
435	GAS & OIL	62,707	63,000	72,000	72,000	72,000	-	0%
465	PATROL SUPPLIES	62,182	10,050	10,050	10,050	12,000	1,950	19%
495	SAFETY EQUIPMENT SUPPLIES	-	500	500	500	500	-	0%
540	LIABILITY INSURANCE	104,556	105,836	104,000	104,000	109,540	5,540	5%
545	LOSS CONTROL-BIO HAZ MAT	1,199	500	1,500	1,500	1,000	(500)	-33%
565	CAR WASHES	646	2,500	1,000	1,000	2,000	1,000	100%
610	EQUIPMENT REPAIRS & MAINTENANCE	2,128	2,000	2,000	2,000	2,000	-	0%
800	TOWING	687	2,400	1,500	1,500	2,400	900	60%
840	MISCELLANEOUS	893	1,200	150	150	1,200	1,050	700%
860	BULLET PROOF VESTS	2,412	7,200	7,200	7,200	8,100	900	13%
872	VEHICLE CHANGEOVER	-	9,500	9,500	9,500	12,000	2,500	26%
TOTAL SUPPLIES & SERVICES		268,819	231,686	234,400	234,400	249,240	14,840	6%
869	EQUIPMENT	10,991	-	-	-	130,000	130,000	n/a
870	VEHICLES	-	295,300	295,300	295,300	212,000	(83,300)	-28%
TOTAL CAPITAL OUTLAY		10,991	295,300	295,300	295,300	342,000	46,700	n/a
TOTAL		\$10,388,613	\$5,098,855	\$9,452,600	\$4,536,626	\$4,607,045	\$ 70,419	2%

POLICE DEPARTMENT

LINE ITEMS (DETAIL)

PD Table 10 - Line item expenditures: INVESTIGATIONS

10-67-ID		2016/17	2017/18		2018/19 Adopted		
		Prior Year	Year end	Budget	Budget	Budget	Change in
ID	Account Title	Actual	Projected	Original	Amended	2018/19	Amount %
100	SALARIES AND WAGES	411,887	493,345	456,900	470,900	473,699	2,799 1%
102	STANDBY PAY	28,527	29,783	24,000	24,000	29,000	5,000 21%
105	OVERTIME	18,764	19,329	25,000	25,000	25,000	- 0%
115	EMPLOYEE BENEFITS-FICA	34,189	32,766	38,200	40,200	39,915	(285) -1%
120	EMPLOYEE BENEFITS-RETIREMENT	278,541	275,340	317,400	333,237	291,800	(41,437) -12%
125	EMPLOYEE BENEFITS-WORKERS COM	27,707	33,096	22,600	23,600	23,522	(78) 0%
130	EMPLOYEE BENEFITS-MEDICAL	51,586	49,143	64,600	49,143	48,900	(243) 0%
132	CANCER INSURANCE	250	400	500	500	375	(125) -25%
135	EMPLOYEE BENEFITS-DISABIL/LIFE	5,290	362	5,700	5,700	5,799	99 2%
136	Short term disability	-	-	-	-	3,845	3,845 n/a
160	EMPLOYEE BENEFITS-CLOTHING	4,093	5,934	6,500	6,500	6,500	- 0%
161	EMPLOYEE BENEFIT - CELL PHONE	3,795	2,300	4,200	4,200	4,140	(60) -1%
191	DEFERRED COMPENSATION-457	132	3,302	-	5,460	3,640	(1,820) -33%
186	EMPLOYEE BENEFITS - H S A	16,600	4,900	22,800	7,800	5,200	(2,600) -33%
375	TEMPORARY LABOR	48,702	-	-	-	-	- n/a
TOTAL PERSONNEL		930,064	950,000	988,400	996,240	961,335	(34,905) -4%
540	LIABILITY INSURANCE	16,729	25,400	21,000	21,000	26,289	5,289 25%
705	INVESTIGATIVE TRAVEL	4,447	5,000	5,000	5,000	5,000	- 0%
840	MISCELLANEOUS	72	100	100	100	7,100	7,000 n/a
869	EQUIPMENT	48,426	29,600	29,600	29,600	12,100	(17,500) -59%
TOTAL SUPPLIES & SERVICES		69,675	60,100	55,700	55,700	50,489	(5,211) -9%
TOTAL CAPITAL OUTLAY		-	-	-	-	-	- n/a
TOTAL		\$999,739	\$1,010,100	\$1,044,100	\$1,051,940	\$1,011,824	\$ (40,116) -4%

POLICE DEPARTMENT

LINE ITEMS (DETAIL)

PD Table 11 - Line item expenditures: GRANTS

26-30/40-ID		2016/17	2017/18			2018/19 Adopted		
		Prior Year	Year end	Budget	Budget	Budget	Change in	
ID	Account Title	Actual	Projected	Original	Amended	2018/19	Amount	%
848	MISC POLICE GRANTS	61,384	68,000	68,000	68,000	68,000	-	0%
TOTAL REVENUE		61,384	68,000	68,000	68,000	68,000	-	0%
991	MISC POLICE GRANTS	63,296	50,000	50,000	50,000	68,000	18,000	36%
	Contingency (prior year carryover)					53,845		
TOTAL EXPENDITURES		63,296	50,000	50,000	50,000	121,845	\$ 71,845	144%
Revenue over (under) Expenditures		(1,913)	18,000	18,000	18,000	(53,845)		

PD Table 12 - Line item expenditures: DONATIONS

25-30/40-ID		2016/17	2017/18			2018/19 Adopted		
		Prior Year	Year end	Budget	Budget	Budget	Change in	
ID	Account Title	Actual	Projected	Original	Amended	2018/19	Amount	%
839	DONATIONS TO POLICE DEPT	7,579	7,775	5,000	5,000	5,000	-	0%
840	VINTAGE CAR SHOW DONATIONS	9,992	9,617	10,000	10,000	10,000	-	0%
TOTAL REVENUE		17,677	17,392	15,000	15,000	15,000	-	0%
970	POLICE DEPT DONATION EXPND	1,905	2,436	5,000	5,000	5,000	-	0%
974	VINTAGE CAR SHOW EXPENDITURES	9,992	9,617	10,000	10,000	10,000	-	0%
	Use of Prior year carry over					5,339	5,339	n/a
TOTAL EXPENDITURES		11,897	12,052	15,000	15,000	20,339	\$ 5,339	36%
Revenue over (under) Expenditures		5,780	5,339	-	-	(5,339)		

POLICE DEPARTMENT

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OTHER PROGRAMS AND ENTERPRISES

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DEBT SERVICE

DEBT MANAGEMENT

The Town uses several financing instruments to fund its capital needs. Each method leveraging has specific and secure sources identified and used for the debt repayments.

The Town employs the early recognition option for payments of principal and interest when due early in the subsequent year for financial reporting and budget purposes to ensure resources are both measurable and available when payments are due.

FINANCING INSTRUMENTS

There are numerous financing instruments available to Towns in the State of Arizona, including:

- ▶ General obligation bonds;
 - ▶ **Revenue bonds (excise tax);**
 - ▶ Improvement bonds;
 - ▶ Special assessment bonds;
 - ▶ Rural development loans;
 - ▶ Certificates of participation;
 - ▶ **Capital and operating leases;**
 - ▶ Lease purchase;
 - ▶ **Pay-as-you-go; and**
 - ▶ **Interfund borrowing.**
-

DEBT LIMITATION

Bonded indebtedness of local municipalities is subject to a two-tiered constitutional debt limit.

(Arizona Constitution, Article 9, Section 8; June 2008)

Under Arizona law, counties, cities, towns, school districts and other municipalities may issue general obligation bonds up to 6% of the jurisdiction's net secondary assessed valuation without voter approval. Voter approval is required before issuing over the 6%.

With voter approval cities and towns may issue general obligation bonds up to 20% of the jurisdiction's net secondary assessed valuation for supplying the city or town with water, artificial light or sewers when this infrastructure will be owned and operated by the city or town; and for the acquisition and development of open space preserves, parks, playgrounds and recreation facilities, public safety, law enforcement, fire and emergency services facilities, and streets and transportation facilities.

With voter approval, counties and school districts may issue general obligation bonds up to 15% of the jurisdiction's net assessed valuation.

Special Taxing Districts formed under Arizona Revised Statutes Title 48, have the same and some have further restrictions than set forth in the Arizona Constitution.

DEBT SERVICE

► REVENUE BONDS ◀

The Town's Debt Service Fund was originally established to account for long-term debt issued by the Town for the construction of the Town's two fire stations and additional wastewater capacity under the [Paradise Valley Municipal Property Corporation \("PVMPC"\)](#). This was the Refunding Bonds Series 2009.

The [PVMPC](#) is a nonprofit corporation incorporated under the laws of Arizona formed for the sole purpose of assisting the Town in obtaining financing for various projects of the Town. The Town has an obligation for the repayment of the PVMPC bonds. The PVMPC consists of a Council appointed, seven member board of directors.

The entire future amount due for principal and interest was pre-funded for the two fire stations. The wastewater capacity portion is paid by the Wastewater fund. The final maturity date for the bond is January 1, 2019.

In 2016, the Town issued new General Fund debt for construction primarily of the Public Safety Tower and street improvements. This was done through a direct placement loan (revenue obligations) with an interest rate of 1.69%, a structure which is not subject to debt limitations.

► INTERFUND LOAN ◀

The Town has two interfund loans:

- ▷ **Additional Wastewater capacity:** The general fund's current balance loaned to the Wastewater fund is \$1,528,638. This is paid by Wastewater impact fees are collected in excess of the amounts needed for PVMPC revenue bonds series 2009. This is expected to begin annual payments in 2020.
 - ▷ **Court facilities:** The general fund loaned \$900,000 for the construction of courtroom facilities with a current balance of \$500,000. The repayment schedule was set with Council resolution no. 1277 with *Court enhancement funds*.
-

► CAPITAL LEASE ◀

There are currently no outstanding capital leases; the final payments for police equipment was in fiscal year 2018.

► PAY-AS-YOU-GO ◀

The vast majority of the Town's projects and operations are Pay-as-you-go. The Town's CIP is designed to accumulate cash for a project before initiating and is also setting aside resources to finance its fleet replacement and facilities plans.

DEBT SERVICE

► PAYMENT SCHEDULES ◀

As of June 30, 2018, the Town will have \$7,725,000 in principal outstanding, with the final payment due at the end of 2023. The table below lists the remaining principal and interest payment schedule for the Excise Tax Revenue Obligations Series 2016 .

Capital Projects 2016 - Payment Schedule: REMAINING PAYMENTS			
Payment Date	Principal	Interest	Total Payment
12/15/2018	\$ 660,000	\$ 65,276	\$ 725,276
6/15/2019		59,699	59,699
12/15/2019	1,365,000	59,699	1,424,699
6/15/2020		48,165	48,165
12/15/2020	1,390,000	48,165	1,438,165
6/15/2021		36,420	36,420
12/15/2021	1,415,000	36,420	1,451,420
6/15/2022		24,463	24,463
12/15/2022	1,435,000	24,463	1,459,463
6/15/2023		12,337	12,337
12/15/2023	1,460,000	12,337	1,472,337
Balance	\$ 7,725,000	\$ 427,444	\$ 8,152,444
Paid thru 6/30/18	\$ 155,000	\$ 314,604	\$ 469,604

► FUNDING LEVELS ◀

Capital Projects 2016 Table 1 - Funding by Source						
Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
General Fund (Transfer in)	\$ 789,976	\$ 288,200	\$ 501,776	174%	\$ 286,862	\$ 133,172
Total Sources	\$ 789,976	\$ 288,200	\$ 501,776	174%	\$ 286,862	\$ 133,172

* Recommended funding levels for the 2018/19 budget year

MPC: Fire Stations Table 1 - Funding by Source						
Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Prepaid general revenues (FB)	\$ 467,697	\$ 813,200	\$ (345,503)	-42%	\$ 813,207	\$ 999,797
Total Sources	\$ 467,697	\$ 813,200	\$ (345,503)	-42%	\$ 813,207	\$ 999,797

* Recommended funding levels for the 2018/19 budget year

DEBT SERVICE

► EXPENDITURES ◀

MPC: Fire Stations Table 2 - Expenditures by CATEGORY						
EXPENDITURES BY CATEGORY	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Total Personnel	\$ -	\$ -	\$ -	n/a	\$ -	\$ -
Principal	463,998	780,200	(316,202)	-41%	780,203	927,990
Interest and fees	3,699	33,000	(29,301)	-89%	33,004	71,807
Total Supplies & Services	467,697	813,200	(345,503)	-42%	813,207	999,797
Total Capital	-	-	-	n/a	-	-
Total Expenditures	\$ 467,697	\$ 813,200	\$ (345,503)	-42%	\$ 813,207	\$ 999,797
* Recommended funding levels for the 2018/19 budget year						

Capital Projects 2016 Table 2 - Expenditures by CATEGORY						
EXPENDITURES BY CATEGORY	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Total Personnel	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -
Principal	660,000	155,000	505,000	326%	155,000	-
Interest and fees	129,976	133,200	(3,224)	-2%	131,862	133,172
Total Supplies & Services	789,976	288,200	501,776	174%	286,862	133,172
Total Capital	-	-	-	n/a	-	-
Total Expenditures	\$ 789,976	\$ 288,200	\$ 501,776	174%	\$ 286,862	\$ 133,172
* Recommended funding levels for the 2018/19 budget year						

DEBT SERVICE

LINE ITEMS (DETAIL)

WWIF Table 3 - Line item revenue and expenditures

40-39/40-ID		2016/17	2017/18			2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in	
							Amount	%
991	INTERFUND TRANSFER IN	134,199	286,862	288,172	288,172	789,976	501,804	174%
TOTAL REVENUE & TRANSFERS IN		134,305	286,862	288,172	288,172	789,976	501,804	174%
960	DEBT 2016 PRINCIPAL	-	155,000	155,000	155,000	660,000	505,000	326%
961	DEBT 2016 INTEREST	133,172	131,862	133,200	133,200	129,976	(3,224)	-2%
TOTAL EXPENDITURES & TRANSFER OUT		133,172	286,862	288,200	288,200	789,976	\$ 501,776	174%
Revenue over (under) Expenditures		1,133	-	(28)	(28)	-		

MPC Table 3 - Line item revenue and expenditures

50-40-ID		2016/17	2017/18			2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in	
							Amount	%
991	TRANSFER IN	-	-	-	-	-	-	n/a
TOTAL REVENUE		-	-	-	-	-	-	n/a
957	INTEREST 2009	71,807	33,004	33,000	33,000	3,699	(29,301)	-89%
958	PRINCIPAL 2009	927,990	780,203	780,200	780,200	463,998	(316,202)	-41%
TOTAL EXPENDITURES & TRANSER OUT		999,797	813,207	813,200	813,200	467,697	\$ (345,503)	-42%
Revenue over (under) Expenditures		(999,797)	(813,207)	(813,200)	(813,200)	(467,697)		

DEBT SERVICE

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PUBLIC SAFETY PENSION

PUBLIC SAFETY RETIREMENT

Town police employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (“PSPRS”). The PSPRS administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium benefit plan. A nine-member board known as the board of trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.

The PSPRS issue publicly available financial reports that include their financial statements available on the PSPRS website at www.psprs.com.

KEY TERMS & DEFINITIONS

ACTUARIAL LIABILITY: The actuarial liability (pension liability) is determined by an actuarial valuation at the end of fiscal years ending June 30 and recognizes the current total obligation with the PSPRS. The most recent valuation was for June 30, 2017 and included assumptions such as, but not limited to:

- ▶ Discount rate 7.40%;
- ▶ Wage inflation 3.50%;
- ▶ Price inflation 2.50%;
- ▶ Indices for: Mortality, withdrawals, discharges, and disability; and
- ▶ Litigation and changes in legislation.

UNFUNDED LIABILITY: The amount by which the actuarial accrued pension liability benefits exceeds the actuarial value of plan assets.

PLAN ASSETS: The current assets the Town has invested in the plan either through the state set contribution rates recognized each payroll or by other direct cash contributions.

CONTRIBUTIONS: State statutes establish the pension contribution requirements for active PSPRS employees. Annual actuarial valuations determine employer contribution requirements for PSPRS benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any *unfunded liability*.

DISCOUNT RATE: The long-term expected rate of return on pension plan investments that is applied to all periods of projected benefit payments to determine the total pension liability.

MEASUREMENT DATE: The date that at which actuarial is valued at; generally, one year in arrears on the Town’s financial statements.

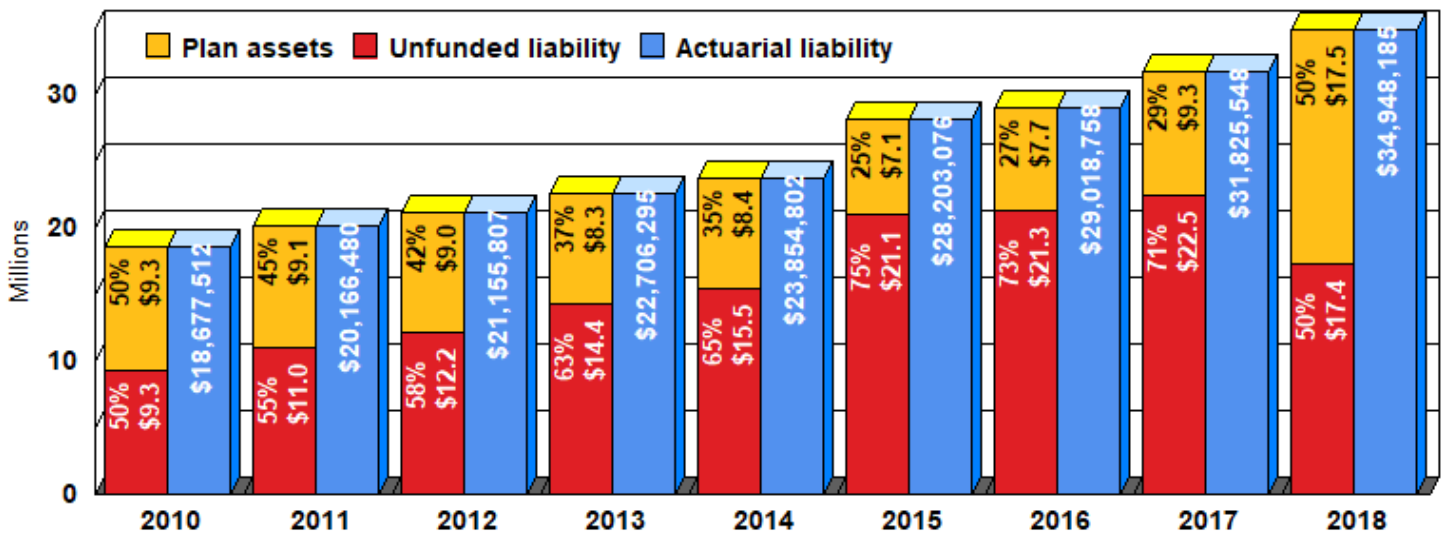
PUBLIC SAFETY PENSION

► UNFUNDED LIABILITY ◀

From 2010 to 2016, the total **actuarial liability** has increased from \$18.7 to \$29.0 million; the Town's **unfunded liability** moved from \$9.3 million (50% of the total) to \$21.3 million (73% of the total); with the percentage of **plan assets** (funded liability) decreasing from 50% in 2010 to 27% of the total liability in 2016.

Over the next two years (2017 & 2018), the Town initiated an effort to reduce the **unfunded liability**. In 2018, though the Town's **actuarial liability** increased to \$34.4 million, the **plan assets** increased to 49% and decreased the **unfunded liability** to 50% of the total.

The graph below illustrates the total liability and compares the unfunded portion and plan assets.



► CONTRIBUTION RATES ◀

The chart below compiles the Town's PSPRS contribution rates from its annual actuarial valuation. There are multiple components to the rate structure.

- The "normal (base rate)" is the rate to provide funds for the current pension costs, with no unfunded liability in the calculation.
- The second is a higher rate that is used to pay down the Town's unfunded liability. This is a three-tier rate; but the town only has employees on tiers 1 and 2.

Town's Contribution rate	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Normal (base rate)	11.78%	11.78%	11.93%	13.17%	12.40%	11.94%	11.66%	10.96%	15.04%	14.65%
Unfunded liability	19.22%	20.08%	25.83%	35.82%	37.78%	48.52%	60.12%	59.20%	52.21%	44.53%
Total for tiers 1 & 2	31.00%	31.86%	37.76%	48.99%	50.18%	60.46%	71.78%	70.16%	67.25%	59.18%
Prior years unfunded liability as										
a % of the total pension liability		50.00%	55.00%	58.00%	63.00%	65.00%	75.00%	73.00%	71.00%	51.00%

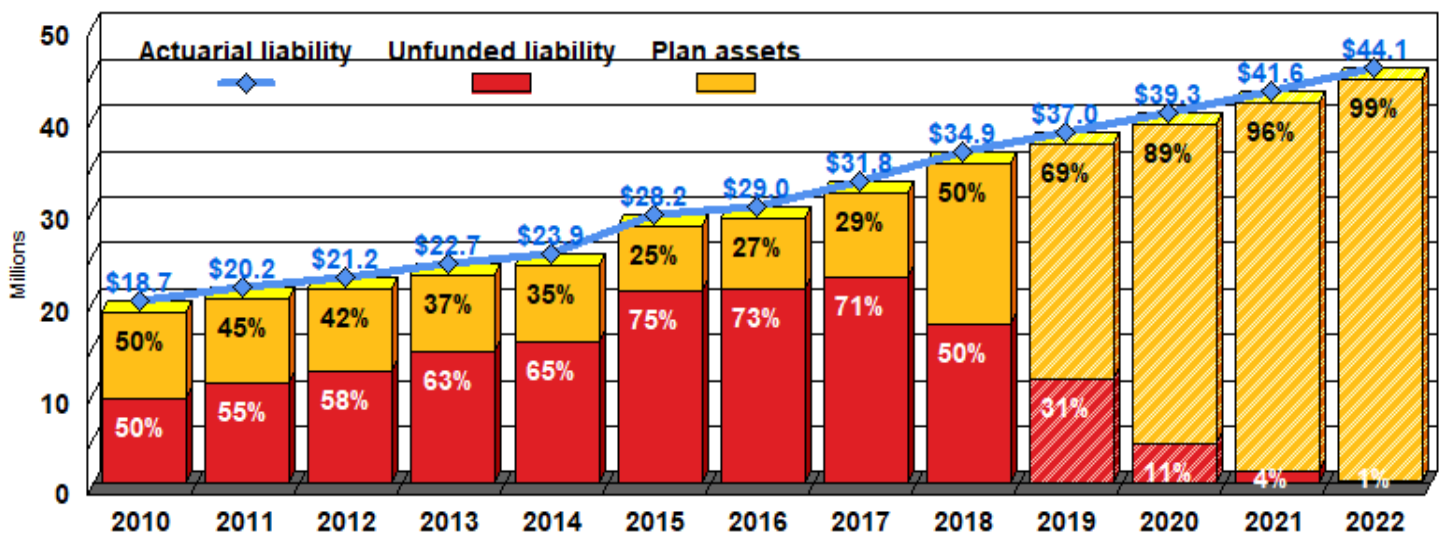
PUBLIC SAFETY PENSION

► FINANCIAL PLAN ◀

The Town's goal, as established by Resolution No. 2016-19, is to reduce the unfunded liability as expediently as feasible. Two key factors influencing this are: 1) available resources and 2) expenditure limitation capacity. Though there may be cash available to use, the Town's expenditure limitation would limit the Town's authority to spend.

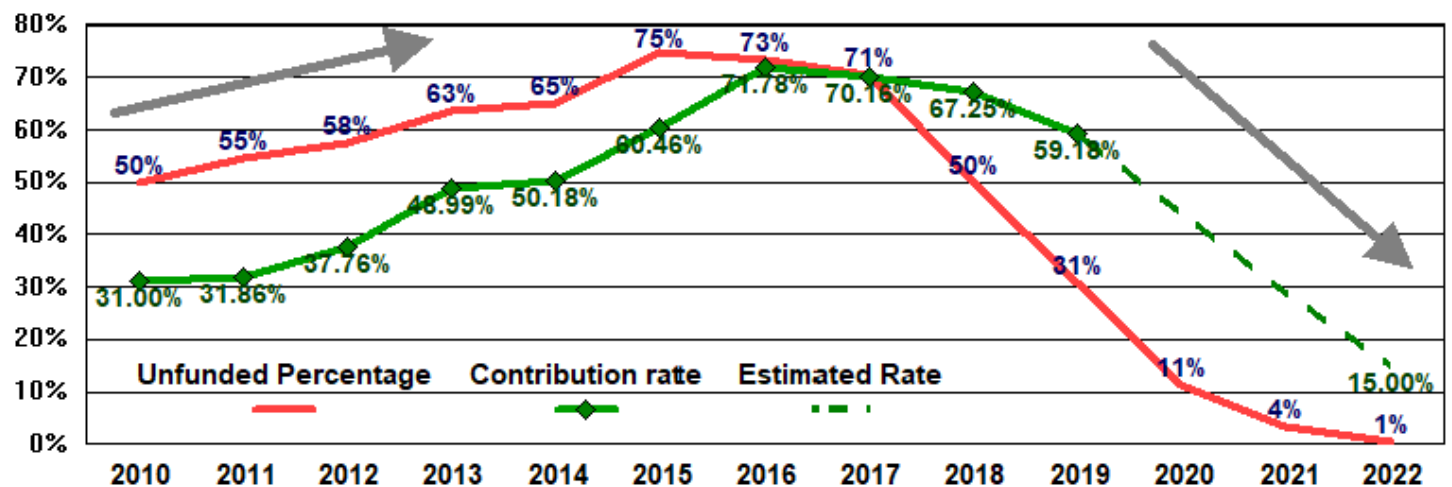
Using the most recent actuarial assertions as described in "actuarial liability" part in the key terms and definitions; the graph below illustrates if the Town pays the Contribution Rate and an additional \$6,000,000 in FY2019; \$6,000,000 in FY2020 and \$1,780,000 in FY 2021 the unfunded liability would be nominal.

The payment plan and target date of FY2022 is subject to change with deviations from these assertions. The more significant the deviation, the more significant the shift in the target timeline.



► IMPACT ON RATES ◀

As the % of the unfunded liability increases, so do the Town's required contribution rates in the annual actuarial report; and as the % of unfunded liability decreases, so should the Town's contribution rates.



PUBLIC SAFETY PENSION

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RESERVES

TYPES OF RESERVES AND CONTINGENCIES

For nearly every conceived risk or possible event, a reserve or contingency could be established. To assist in managing foreseeable risk and plan for the future, the Town has the following reserves and contingencies in the 2018/19 budget:

Contingencies and set-asides:

- ▶ Operating contingency – this supports unbudgeted operating costs;
- ▶ Activity based – this is set aside for a specific activity to occur or service level reached; and
- ▶ Repair and replacements – this accumulates funds for vehicles, equipment and facilities.

Reserves and assignments:

- ▷ Contractual – this is for future contractual payments with funds received today;
- ▷ Unfunded liability – resources to pay long-term debts as expenditure limitation allows; and
- ▷ Emergency / future use – funding for the future, but available for an emergency today.

The table below displays each reserve and contingency by category.

Table 1 - Authorized reserves and contingencies						
PURPOSE	General Fund	Courts	CIP	Alarm	Fire	Wastewater
CONTINGENCIES (SET-ASIDE)						
Operating	\$ 1,025,367	-	\$69,997	\$ 30,000	\$ 84,100	\$ 45,000
Activity based:						
Merit pool	440,000	-	-	-	-	-
HR studies	15,000	-	-	-	-	-
Benchmark studies	10,000	-	-	-	-	-
Repair & replacement:						
Fleet	282,500	-	-	-	-	-
Facilities	912,500	-	-	-	-	-
RESERVES (ASSIGNMENTS)						
Contractual:						
Bike-Ped contract	30,000	-	-	-	-	-
Tourism	234,300	-	-	-	-	-
Unfunded liability:						
PSPRS Part I	5,000,000	-	-	-	-	-
PSPRS Part II	1,000,000	-	-	-	-	-
Emergency / future use	0	59,438	0	0	45,875	35,570
Total	\$ 8,949,667	\$ 59,438	\$69,997	\$ 30,000	\$ 129,975	\$ 80,570

RESERVES

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PURPOSE & DESCRIPTION

Tourism and the hospitality industry are critical elements and contribute greatly to the Town's character. This industry generates a good portion of the Town's operating revenue. As a result, the Town dedicates significant resources to invest in tourism promotion.

- ▶ The Town invests 40.9% of its audited revenue in the budget year two years ahead. In audit year 2017, the Town received \$3,701,739 in bed tax revenue; and then 40.9% is investment in budget 2019 (\$1,514,011).
- ▷ To limit the risk of over allocating resources, this budget recommended beginning to set aside and assign the difference of the 40.9% of the current revenue to what is paid to Tourism. That balance will be segregated on the balance sheet and paid when due. For example: The Estimated Bed Tax revenue for 2019 is \$4,274,600. The investment of 40.9% of \$4,274,600 is \$1,748,311. However, the Town's investment to Tourism based on 2017 is \$1,514,011; which is \$234,300 less than the 40.9%, but will be due in two years. Ergo, the recommendation is to set aside \$234,300 designated to the 2021 tourism investment.
- ▶ The Town also supports a trolley from several Town resorts to and from the Scottsdale Fashion Square mall seasonally.



EXPENDITURES

The Tourism recommended budget of \$1,514,011 is \$175,111 or 13% more than the prior fiscal year is solely based on revenue collected as presented in the final audit for fiscal year 2017.

TOUR Table 1 - Expenditures by CATEGORY						
EXPENDITURES BY CATEGORY	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Total Personnel	\$ -	\$ -	\$ -	n/a	\$ -	\$ -
Convention & Visitors (CVB)	1,514,011	1,311,900	202,111	15%	1,311,900	1,275,037
Event funding	-	-	-	n/a	-	50,000
Trolley services	-	27,000	(27,000)	-100%	27,000	-
Total Supplies & Services	1,514,011	1,338,900	175,111	13%	1,338,900	1,325,037
Total Capital	-	-	-	n/a	-	-
Total Expenditures	\$1,514,011	\$1,338,900	\$ 175,111	13%	\$1,338,900	\$1,325,037
* Adopted funding levels for the 2018/19 budget year						

TOURISM

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WASTEWATER SERVICES

OFFICE PURPOSE & DESCRIPTION

The Town of Paradise Valley (the “Town”) provides wastewater services to both residential and commercial customers who are connected to the Town owned sewer system (approximately 2,100 accounts). The City of Scottsdale (the “City”) operates and maintains the sewer system through an intergovernmental agreement (“IGA”) with the Town. The City bills the Town for operation and maintenance of the system. The Town bills its customers directly. Customer bills include a base rate charge and a commodity charge which is based upon winter water consumption.

In fiscal year 2015/16:

- ▶ The City revised its fee structure.
- ▶ Upon review of a master plan and wastewater rate study, the Town initiated a new IGA with the City.
- ▶ Within the new IGA there is a five (5) year project to inspect all town pipes and manholes to determine a capital needs sewer assessment.

Last fiscal year 2017/18:

- ▶ The Town incorporated the last of two rate changes that Council approved in 2015/16.
- ▶ The IGA with the City includes the sewer assessment annual payment of \$234,000.
- ▶ Further details are in the Town’s annual CIP.

FUNDING LEVELS

Funding for Wastewater services is primarily from service fees from Wastewater customers.

WW Table 1 - Funding by Source						
Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Wastewater service fee	\$2,400,000	\$2,683,359	\$ (283,359)	-11%	\$2,460,175	\$2,257,125
Wastewater buyback	10,000	25,000	(15,000)	-60%	10,000	10,818
Miscellaneous	216,158	-	216,158	n/a	370,906	18,462
Total Sources	\$2,626,158	\$2,708,359	\$ (82,201)	-3%	\$2,841,081	\$2,286,405

* Adopted funding levels for the 2018/19 budget year

WASTEWATER SERVICES

► EXPENDITURES ◀

The 2018/19 budget of \$2,626,158 is \$80,758 or 5% more than the prior fiscal year. This results primarily from changes in:

Personnel: Personnel expenditures are part of the Town's administrative allocation and includes services from the Town Attorney's office, Engineering, Information technology and Finance.

Supplies and services: Supplies and services are status quo from last fiscal year. The exception is the final bond payments.

Transfer out to CIP: As part of the Wastewater IGA, a transfer of \$234,000 is made each year. Another \$200,000 is budget for other wastewater capital improvements and can be found in the CIP section of this recommended budget document.

WW Table 2 - Expenditures by CATEGORY						
EXPENDITURES BY CATEGORY		Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18
						Actual 2016/17
Total Personnel		\$ 134,030	\$ 134,000	\$ 30	0%	\$ 134,030
Supplies & Services	Scottsdale service fee	1,682,400	1,682,400	-	0%	1,682,400
	Principal	211,002	354,800	(143,798)	-41%	354,797
	Interest and bond fees	5,156	16,200	(11,044)	-68%	16,109
	Facilities maintenance	50,000	50,000	-	0%	22,631
	Professional services	25,000	25,000	-	0%	25,000
	Other supplies & services	3,800	3,800	-	0%	46,644
Total Supplies & Services		1,977,358	2,132,200	(154,842)	-7%	2,147,581
Operating contingency		45,000	45,000	-	0%	-
Assigned to future years		35,570	-	35,570	n/a	-
Transfer out to CIP		434,200	234,200	200,000	85%	234,200
Total Uses		\$2,626,158	\$2,500,400	\$ 80,758	5%	\$2,515,811
						\$2,239,919

* Adopted funding levels for the 2018/19 budget year

WASTEWATER SERVICES

ITEMS (DETAIL)

WW Table 3 - Line item revenue and expenditures

55-30/40-ID		2016/17	2017/18			2018/19 Adopted		
ID	Account Title	Prior Year Actual	Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in	
							Amount	%
730	MISCELLANEOUS INCOME	18,462	370,906	-	-	216,158	216,158	n/a
630	SEWER BUYBACK - TOWN	10,818	10,000	25,000	25,000	10,000	(15,000)	-60%
881	SERVICE FEE-SCOTTSDALE SYSTEM	2,257,125	2,460,175	2,683,359	2,683,359	2,400,000	(283,359)	-11%
TOTAL REVENUE & TRANSFERS IN		2,286,511	2,841,081	2,708,359	2,708,359	2,626,158	(82,201)	-3%
215	WATER	1,199	3,000	3,200	3,200	3,200	-	0%
250	FIRE SERVICE FEE	1,100	1,100	1,200	1,200	1,200	-	0%
310	ELECTRICITY	-	600	600	600	600	-	0%
330	SEWER SERVICE FEES	9,866	25,000	25,000	25,000	25,000	-	0%
337	NATURAL GAS	21,923	22,631	50,000	50,000	50,000	-	0%
850	PHOENIX IGA	64	-	-	-	-	-	n/a
965	FACILITIES REPAIRS & MAINT	-	15,009	15,000	15,000	3,956	(11,044)	-74%
966	FIRE HYDRANT MAINTENANCE	-	354,797	354,800	354,800	211,002	(143,798)	-41%
970	LANDSCAPE MAINT	1,689,567	1,682,400	1,682,400	1,682,400	1,682,400	-	n/a
980	ENVIRONMENTAL DISPOSAL FEE	132,000	134,030	134,000	134,000	134,030	30	0%
999	OPERATING CONTINGENCY	-	43,044	45,000	45,000	45,000	-	0%
999	ASSIGNED TO FUTURE YEAR	-	-	-	-	35,570	35,570	n/a
991	INTERFUND TRANSFERS OUT	384,200	234,200	234,200	234,200	434,200	200,000	85%
TOTAL EXPENDITURES & TRANSFER OUT		2,239,919	2,515,811	2,545,400	2,545,400	2,626,158	\$ 80,758	3%
Revenue over (under) Expenditures		46,592	325,270	162,959	162,959	-		

WASTEWATER SERVICES

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WASTEWATER IMPACT FEE

OFFICE PURPOSE & DESCRIPTION

The Town of Paradise Valley (the "Town") provides wastewater services to both residential and commercial customers who are connected to the Town owned sewer system (approximately 2,100 accounts). For customers in this service area, payment of an impact fee is required at the time the property is connected to the system. The impact fees are used to repay outstanding debt which was issued to purchase treatment capacity in the City of Scottsdale treatment facilities necessary for the demand of future customers. The Town's impact fee study was updated in fiscal year 2016/17.

Presuming impact fees are received as budgeted, sufficient resources to fully repay this debt will be received in this budget for 2018/19. The budget reflects a loan from the *Operating fund* that will be repaid through the rate structure. It is not uncommon that a cash shortfall occurs when debt is repaid by impact fees, as infrastructure often has to be in place before the related development occurs, and the fee collected cannot exceed each builder's proportionate share.

FUNDING LEVELS

Funding for this purpose is receiving Development impact fees and using prior year's fund balance.

WWIF Table 1 - Funding by Source						
Funding by Source	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Development Impact fees	\$ 220,000	\$ 608,936	\$ (388,936)	-64%	\$ 216,510	\$ 128,646
Use (Savings) of fund balance	21,158	(103,271)	124,429	-120%	204,396	390,415
Total Sources	\$ 241,158	\$ 505,665	\$ (264,507)	-52%	\$ 420,906	\$ 519,061

* Adopted funding levels for the 2018/19 budget year

WASTEWATER IMPACT FEE

► EXPENDITURES ◀

The 2018/19 budget of \$216,158 is the amount needed for the final debt service payment for bonds issued to expand sewer capacity. Repayment of loans from the Wastewater and General funds will be part of subsequent budget years beginning 2020.

WWIF Table 2 - Expenditures by CATEGORY

USES BY CATEGORY	Budget 2018/19*	Budget 2017/18	Change \$	Change %	Projected 2017/18	Actual 2016/17
Professional services	\$ 25,000	\$ 50,000	\$ (25,000)	-50%	\$ 50,000	\$ 63,296
Transfer for Debt Service	216,158	455,665	(239,507)	-53%	370,906	455,765
Total Uses	\$ 241,158	\$ 505,665	\$ (264,507)	-52%	\$ 420,906	\$ 519,061

* Adopted funding levels for the 2018/19 budget year

LINE ITEMS (DETAIL)

WWIF Table 3 - Line item revenue and expenditures

57-30/40/37-ID		2016/17 Prior Year Actual	2017/18			2018/19 Adopted		
ID	Account Title		Year end Projected	Budget Original	Budget Amended	Budget 2018/19	Change in	
							Amount	%
882	DEVELOPMENT FEE	128,646	216,510	608,936	608,936	220,000	(388,936)	-64%
TOTAL REVENUE		128,646	216,510	608,936	608,936	220,000	(388,936)	-64%
330	GENERAL PROFESSIONAL SERVICES	63,296	50,000	50,000	50,000	25,000	(25,000)	-50%
991	TRANSFER OUT	455,765	370,906	455,665	455,665	216,158		
TOTAL EXPENDITURES & TRANSFER OUT		519,061	420,906	505,665	505,665	241,158	\$ (264,507)	-52%
Revenue over (under) Expenditures		(390,415)	(204,396)	103,271	103,271	(21,158)		

CAPITAL IMPROVEMENT PROGRAM (“CIP”)

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CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan (“CIP”) is a five-year schedule of public improvements to the Town’s infrastructure. The CIP sets forth proposed expenditures for systematically constructing, upgrading, expanding, remodeling and replacing of “public improvements” within the foreseeable five-year future. The CIP establishes a schedule for each project identified according to its priority and funding resources available. The Town Council is responsible for identifying the policy objectives of the CIP and adopting it. Town staff is responsible for its preparation, administration and implementation.

Because the CIP identifies where Town improvements will be done, expanded and dollars spent, it is more than a schedule of expenditures. It is a statement of budgetary policy and a planning document that identifies which projects are planned to be constructed over the next five years, their impact to the community and quality of life, and how they will be funded.

► FUNDING FY2019:

Funding for the current year’s CIP is adopted by Council as part of the annual budget resolution. The next four years are presented to illustrative the complete plan for FY2019. Timing of a project is dependent on current conditions and funding availability. All Town funded projects funded in FY2019 are expected to begin during the fiscal year.

Town Council did not approve any projects beyond FY2019. Projects that do not have funding in FY2019 will be examined by Council during the fiscal year for subsequent approval.

► CRITERIA:

To qualify as a CIP, an improvement’s costs are greater than \$100,000 and has a useful life of at least two years (excluding vehicles). Regular maintenance of Town facilities is not considered a CIP. Asphalt overlays and micro-surface seals such as chips, slurry and friction course seals are funded in operating budgets and not included in CIP.

The Town uses the follow categories in its CIP:

- ❖ Renewal and replacement of existing infrastructure;
 - ❖ Streets / sidewalks / paths (pedestrian and bicycle);
 - ❖ Electric utility undergrounding;
 - ❖ Stormwater / drainage;
 - ❖ Technology;
 - ❖ Sustainability; and
 - ❖ Wastewater utility.
-

► COMPILATION:

The process of creating the CIP is a four (4) step process:

- Identify needs / projects;
 - Determine costs;
 - Prioritize projects; and
 - Develop financing strategies.
-

CAPITAL IMPROVEMENT PLAN

► IDENTIFY NEEDS/PROJECTS

The objective of this step is to compile a list of all possible projects that will later be prioritized. Department directors prepare and submit capital improvement requests along with detailed project descriptions for projects, asset inventory and replacement schedules, supporting studies and strategic planning documents. The projects come from many sources of information including:

- ▶ Citizens;
- ▶ Town Council;
- ▶ The strategic, general and / or master plans; and
- ▶ Town staff.

► DETERMINE COSTS:

For each project identified, detailed information about the project will be presented, including:

- ▷ Purpose / objective;
- ▷ A description of the project;
- ▷ Its relationship to the General plan (sustainability);
- ▷ Timeline;
- ▷ Operating impacts (costs or savings);
- ▷ Map / location of the project; and
- ▷ Project scope broken down into land, design, construction, and contingency.

► PRIORITIZE PROJECTS:

The CIP has a prioritization process. Projects are prioritized based on the Town's critical objectives and strategies, the Town's 2012 General Plan, special studies and reports, Town Council and department priorities, and anticipated funding sources. This evaluation process is very much an iterative process using a numeric rating system based on the following evaluation criteria. Projects are then evaluated on the following project prioritization matrix.

Town's Critical Objectives – 40%: (2012 General Plan) If a capital project directly addresses a Town's critical objective or includes health-related environmental impacts like reductions in traffic accidents, injuries, deaths, or health hazards due to poor water quality, the relative attractiveness of that project's:

- ▶ Increase in public health;
- ▶ Increase in public safety;
- ▶ Identification in the General plan;
- ▶ Alignment with the Town's Strategic Initiatives;
- ▶ Alignment with the Town's Strategic Goals; and / or
- ▶ Specific request of the Town Council.

CAPITAL IMPROVEMENT PLAN

Costs – 30%: Costs considered are the initial costs of the project, future additional operating, repair and maintenance costs, as well as potential reduction in other cost such as replacing older infrastructure that is requiring more expensive maintenance. Operating departments provide year-by-year estimates of the additional costs or reductions likely in the operating budget(s) from the new project. Also to be considered are the chances of additional revenue or funding from outside the Town's, such as grants or cost-sharing, which may be affected by a project. Deferring capital projects is tempting for a government to save general revenues, but an estimate of the possible effects, such as higher future costs and inconvenience to the public, provides valuable guidance in proposal assessment. Samples of considerations of costs include, but not limited to:

- ▶ Cost sharing / grant(s) / outside funding;
- ▶ Source of higher revenue;
- ▶ Maintain, replace or expand an existing asset;
- ▶ Lower operating costs;
- ▶ Lower future capital costs; and
- ▶ Implication of deferring the project.

Community / Citizen Benefits, Environmental and Aesthetics – 20%: Economic impacts such as property values, the future tax base, and the stabilization (or revitalization) of neighborhoods. A criterion for other significant quality-of-life related impacts; this includes community appearance, noise, air and water pollution effects, damage to home, etc. Such impacts may apply more to capital projects related to new development than to infrastructure maintenance though deteriorating structures can adversely affect the community. Samples of economic impacts include, but not limited to:

- ▶ Stabilize or improve neighborhoods;
- ▶ Improves quality of life for residents;
- ▶ Improves community appearance;
- ▶ Improves recreation / cultural opportunities;
- ▶ Improves environmental protection efforts; and
- ▶ Assists in elimination of slum and blight conditions.

Distributional Effects – 10%: Estimates of the number and type of persons likely to be affected by the project and nature of the impact – for instance, explicit examination of project impact on various geographical areas; on low-moderate income areas; and on specific target groups. Equity issues are central – who pays, who benefits. Has the Town made a significant investment in this project within the last five years? Sample of Distributional effects include, but not limited to:

- ▶ Town wide improvement;
- ▶ Benefits large portion of Town;
- ▶ Investments made by the Town in the last five year;
- ▶ Investments made by the Town to meet legal obligations;
- ▶ Projects that have the support of another community or agency; and
- ▶ Inter-jurisdictional benefit will be achieved.

CAPITAL IMPROVEMENT PLAN

After all proposed projects are prioritized using these four criteria and 24 factors, the list will be finally reviewed from a few more viewpoints that may necessitate adjustments to the priorities:

- ▶ Does the list stand an “intuitive check”? Do projects fall in the order that was “anticipated”?
 - ▶ Are there any linkages between projects?
 - ▶ Are any projects related to each other geographically where having them accomplished concurrently would be advantageous?
 - ▶ What about sequencing or timing?
 - ▶ Are any projects dependent on the completion of other projects?
-

▶ FUNDING STRATEGIES:

Under the presumption that the projects identified by the Committee will exceed existing resources, funding strategies will determine the final list of recommended projects.

This step involves policy input from the Town Council and will result in modifying or creating new financial policies. Because the CIP is funded from the Operating Budget, key questions should be addressed from an overall Town priority perspective:

- ▷ Should existing operating revenues be allocated to the CIP?
 - ▷ Are existing operating revenues sufficient?
 - ▷ Should revenues be diverted from operating budgets to CIP?
-

▶ OPERATIONG & MAINTENANCE:

Every capital project is assessed for its impact on ongoing operations and maintenance (O&M) costs. The Town currently has 144.5 linear miles of paved asphalt streets, 11.3 acres of landscaped right of way, 182 landscaped medians, and 10 bus shelters. The total costs of maintain these areas is then figured into incremental components, providing metrics that can be used to estimate impacts of additional lanes, rights of way, or medians. These costs are including in the five year operating forecast at the beginning of this document. The Town does not have any parks or recreational facilities, and does not have any additional wastewater facilities in the current plan.

▶ CIP SUMMARY:

This section contains three (3) summaries. The first is the financial summary to only show Council approved projects with accompanying funding. The next two are in the 5-year plan format summarized by funding source. Authorization of projects beyond FY2019 require Town Council approval.

▶ CIP – THE PROJECTS:

The projects portion of this report contains a detailed description of projects that have FY2019 funding. The software used to produce the project listing is “Plan-it Capital Planning”.

CIP 2019 FUNDING SUMMARY

CAPITAL PROJECTS SCHEDULE OF FUNDING

TOWN FUNDED PROJECTS (General fund & Wastewater)		Total Sources	FUNDING	
			New 2019	Carry forward
SRP 44th Street & Keim Conversion	2016-01	\$ 386,276	-	\$ 386,276
APS District 30	2016-02.1	297,447	\$ 297,447	-
Iconic visually significant corridors	2016-08	43,000	-	43,000
Lincoln Dr (limits Mockingbird)-Ritz	2016-14.1	825,800	-	825,800
Mockingbird Ln S of hummingbird	2016-14.3	790,000	-	790,000
Town hall remodel	2017-01	340,000		340,000
Police and PW back up power	2017-02	290,000		290,000
Town-wide Geographic Info. System	2017-04	88,324		88,324
Lincoln Drive Sidewalks	2017-05	527,410	144,407	383,003
Mockingbird improvements (s.of lincoln)	2018-03	200,000		200,000
Doubletree (64th St. to Scottsdale)	2018-04	3,190,000	3,000,000	190,000
56th st. sidewalks (mockingbird-dbl tree)	2018-06	100,000		100,000
Town hall complex fiber connections	2018-07	150,000		150,000
CAD enterprise upgrade	2018-08	221,000		221,000
Pedestrian / bicycle improvements	2018-11	100,000		100,000
Golf Drive Improvements	2019-06	75,000	75,000	-
SRP Denton Lane Conversion	2020-02	27,933	27,933	-
Mockingbird Ln N of Hummingbird	2022-02	2,770,000	2,770,000	
CIP Contingencies	2099-99	69,997		69,997
Town of Paradise Valley Operating Funds		10,492,187	6,314,787	4,177,400
Sewer system assessment	2017-06	234,200	234,200	-
Sewer system improvements	2019-05	200,000	200,000	-
Total Wastewater Enterprise Funds		434,200	434,200	-
TOTAL TOWN FUNDED PROJECTS		\$ 10,926,387	\$ 6,748,987	\$ 4,177,400

PRIVATE ORGANIZATIONS FUNDED PROJECTS (Residents, RITZ AND SRP)		Total Sources	FUNDING	
			New 2019	Carry forward
SRP Denton Lane Conversion-Res	2020-02	\$ 110,067	\$ 110,067	-
SRP 44th Street & Keim Conversion-Res	2016-01	193,109	193,109	
Lincoln Dr (limits Mockingbird)-Ritz	2016-14.1	1,875,000	1,875,000	-
Indian bend (limits Mockingbird)-Ritz	2016-14.2	1,680,000	1,680,000	-
Mockingbird Ln S of hummingbird-Ritz	2016-14.3	1,760,000	1,760,000	-
SRP 44th Street & Keim Conversion-SRP	2016-01	645,000	645,000	-
TOTAL PRIVATE ORGANIZATION PROJECTS		\$ 6,263,176	\$ 6,263,176	\$ -

TOTAL CAPITAL PROJECTS LISTING		\$ 17,189,563	\$ 13,012,163	\$ 4,177,400
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CIP 2019-23 SUMMARY

Town of Paradise Valley, Arizona

Capital Improvement Plan

2019 thru 2023

PROJECTS BY FUNDING SOURCE

Source	Project#	2019	2020	2021	2022	2023	Total
Flood Control District							
FCD LIBW Invergordon Improvements Alt 1	2021-01					650,000	650,000
Flood Control District Total						650,000	650,000
Residents of Paradise Valley							
SRP 44th Street & Keim Conversion	2016-01	193,109					193,109
SRP Denton Lane Conversion	2020-02	110,067					110,067
SRP 40th Street & Lincoln Drive Conversion	2022-01					953,427	953,427
Residents of Paradise Valley Total		303,176				953,427	1,256,603
Ritz Carlton							
Lincoln Dr. (Limits to Mockingbird) - Ritz Related	2016-14.1	1,875,000					1,875,000
Indian Bend (Limits to Mockingbird) - Ritz Related	2016-14.2	1,680,000					1,680,000
Mockingbird Ln S of Hummingbird - Ritz Related	2016-14.3	1,760,000					1,760,000
Ritz Carlton Total		5,315,000					5,315,000
Sewer Fund							
Sewer System Assessment	2017-06	234,200	234,200	234,200			702,600
Sewer System Improvements	2019-05	200,000	200,000	200,000	200,000	200,000	1,000,000
Sewer Fund Total		434,200	434,200	434,200	200,000	200,000	1,702,600
SRP Aesthetics							
SRP 44th Street & Keim Conversion	2016-01	645,000					645,000
SRP Denton Lane Conversion	2020-02		246,866				246,866
SRP 40th Street & Lincoln Drive Conversion	2022-01					1,000,000	1,000,000
SRP Aesthetics Total		645,000	246,866			1,000,000	1,891,866
Town of Paradise Valley							
SRP 44th Street & Keim Conversion	2016-01	386,276					386,276
APS District 30 Carryover	2016-02.1	297,447					297,447
Watershed Studies	2016-06		450,000				450,000
Iconic Visually Significant Corridors, etc.	2016-08	43,000					43,000
Lincoln Dr. (Limits to Mockingbird) - Ritz Related	2016-14.1	825,800					825,800
Mockingbird Ln S of Hummingbird - Ritz Related	2016-14.3	790,000					790,000
Town Hall Remodel	2017-01	340,000			1,500,000		1,840,000
Police and PW Dept Backup Power	2017-02	290,000					290,000
Implement Town-Wide Geographic Info. System (GIS)	2017-04	88,324					88,324
Lincoln Drive Sidewalks	2017-05	527,410					527,410

Produced Using the Plan-It Capital Planning Software

CIP 2019-23 SUMMARY

Source	Project#	2019	2020	2021	2022	2023	Total
Public Works Remodel	2018-01			450,000			450,000
Police Department Remodel	2018-02		1,000,000				1,000,000
Mockingbird Lane Improvements (S. of Lincoln Rd.)	2018-03	200,000					200,000
Doubletree (64th St. to Scottsdale)	2018-04	3,190,000					3,190,000
56th St. Sidewalks (Mockingbird to Doubletree)	2018-06	100,000					100,000
Town Hall Complex Fiber Connections	2018-07	150,000					150,000
CAD Enterprise Upgrade	2018-08	221,000					221,000
Pedestrian / Bicycle Improvements	2018-11	100,000	100,000	100,000	100,000	100,000	500,000
Lincoln and Invergordon Intersection Realignment	2019-01		150,000				150,000
Highlands Drive Cul De Sac	2019-03			250,000			250,000
Telecommunications System Update	2019-04		320,000				320,000
Golf Drive Improvements	2019-06	75,000					75,000
Town Hall Chiller Replacement	2020-01				100,000		100,000
SRP Denton Lane Conversion	2020-02	27,933	192,333				220,266
Tatum Boulevard Retaining Walls	2020-03		400,000				400,000
Invergordon Road Medians (McDonald to Chaparral)	2020-04		270,000	2,430,000			2,700,000
Denton Lane Cul De Sac	2020-05		150,000				150,000
N. Tatum Rd. Sidewalks (Doubletree-Mountain View)	2020-06		150,000				150,000
45th Street Curbs (McDonald to Valley Vista)	2020-07		100,000				100,000
Mountain View Road Improvements (Tatum - 52nd St.)	2020-08		100,000	1,000,000			1,100,000
FCD LIBW Invergordon Improvements Alt 1	2021-01					650,000	650,000
32nd St. Sidewalks (Stanford to Lincoln)	2021-02					300,000	300,000
Mockingbird Lane (56th St. to Invergordon Rd.)	2021-03				300,000	3,000,000	3,300,000
Town Hall Backup Power	2021-04				200,000		200,000
White Wing Half Street Improvements	2021-05				30,000	270,000	300,000
Waterman Lane Improvements	2021-06			30,000	270,000		300,000
SRP 40th Street & Lincoln Drive Conversion	2022-01				300,000	1,607,999	1,907,999
Mockingbird Ln N of Hummingbird	2022-02	2,770,000					2,770,000
CIP Contingencies	2099-99	69,997					69,997
Town of Paradise Valley Total		10,492,187	3,382,333	4,260,000	2,800,000	5,927,999	26,862,519
GRAND TOTAL		17,189,563	4,063,399	4,694,200	3,000,000	8,731,426	37,678,588

Produced Using the Plan-It Capital Planning Software

CIP 2019-23 SUMMARY

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CIP PROJECTS 2019

Capital Improvement Plan

Town of Paradise Valley, Arizona

Data in Year 2019 and 2023

Department APS Undergrounding

Contact Jeremy Knapp

Type Improvement

Useful Life

Category APS Undergrounding

Project # 2016-02.1

Project Name APS District 30 Carryover

Priority Score 10

Account # 30-40-938

Total Project Cost: \$297,447

Description

Location: East of Scottsdale Road between Jackrabbit Road and Vista Drive to the City of Scottsdale Limits.

APS Underground Conversion Project District #30 is located East of Scottsdale Road between Jackrabbit Road and Vista Drive to the City of Scottsdale limits. There are a total of 30 lots in Paradise Valley limits and 26 lots in the City of Scottsdale limits. The project includes 2,181 feet of overhead primary line within the Town of Paradise Valley and 2,950 feet of overhead primary within the City of Scottsdale.

In 2009 the Town sent letters to all 30 property owners of District #30 asking them to commit to paying \$1,500 to underground all their overhead lines and remove the poles. In meetings with the residents it was learned that the overhead lines located just outside the district boundaries to the east and south would not be removed as they were located in the City of Scottsdale and not a part of this district. All the residents present indicated that it would not be practical to remove only the district poles and not the ones located in the City of Scottsdale as they were in the most visible poles. Several of the residents said that they would be interested in participating in the district if the poles located in Scottsdale could also be removed. Acting on that request, Town staff met with Scottsdale officials asking them to participate in the cost to remove the poles. They indicated that they did not have funds available and therefore would not participate. Several follow up requests were made with the same results. Nonetheless, staff sent out letters and of the 30 property owners in the district, only two signed up of the required 16. Recently, in an effort to rekindle interest in District #30, Town staff met with APS and asked them if they would extend the same financial support to the City of Scottsdale, as they do for the Town. Surprisingly, APS agreed to pay 45% of Scottsdale's total cost to remove those poles in the City. Staff will be meeting with Scottsdale in the near future requesting that they participate in the removal of poles. If Scottsdale agrees to participate staff would like to go back to District #30 property owners to obtain support for the undergrounding. Forming the district required that at least half the property owners agree to pay the \$1,500 amounting to \$24,000. Total Project Costs = \$849,757. Financing breakdown = \$479,366 Town of Paradise Valley, \$346,391 APS and \$24,000 Residents. APS 45% share is based on the total project costs minus the century link cost. $(\$849,757 - \$80,000) \times 45\% = \$346,391$. 2014 Update: If the City of Scottsdale participates financially with this project it is anticipated that the town's financial obligation could decrease by approximately 50-60%. This also assumes that the APS undergrounding agreement is extended past the January 2015 expiration date.

In 2015 APS agreed to extend their undergrounding agreement to complete this remaining district. In doing so, they also agreed to participate in the cost of the undergrounding of the backbone line along the town's southern and eastern border with Scottsdale. The town also offered to pay 66% of the cost to underground some ancillary lines within Scottsdale to complete the undergrounding off of the backbone. In April/May of 2016 Town staff reached out to residents to begin the fund raising.

Justification

General Plan Implementation Measures: 8.7-1.13/2.3-1.12/3.3-1.13

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance	297,447					297,447
Total	297,447					297,447
Funding Sources	2019	2020	2021	2022	2023	Total
Town of Paradise Valley	297,447					297,447
Total	297,447					297,447

CIP PROJECTS 2019

Capital Improvement Plan

Data in Year 2019 and 2023

Town of Paradise Valley, Arizona

Department Facility Improvement 30-40-9

Contact Kevin Burke

Type Improvement

Useful Life

Category Facility Improvement

Project # 2017-01

Project Name Town Hall Remodel

Priority Score 24

Account # 30-40-942

Total Project Cost: \$1,990,000

Description

Location: Town Hall Complex

This project consist of a study of space utilization, design of recommended improvements, and remodel of Town Hall.

Currently staff is spread out in different areas of the building and storage is limited and inadequate. This project will first study the utilization and identify areas for improvement. Secondly, the town will hire an architecture firm to incorporate the recommended improvements into a design. In FY18 the budget reflects improvements to the town hall electrical room, new panels, lighting and switches. FY19 is a remodel of the Community room. FY20 is a remodel to the remaining portions of Town Hall

Justification

General Plan Implementation Measures: 8.7-1.1

Prior	Expenditures	2019	2020	2021	2022	2023	Total
150,000	Planning/Design	40,000					40,000
Total	Construction/Maintenance	300,000			1,500,000		1,800,000
	Total	340,000			1,500,000		1,840,000

Prior	Funding Sources	2019	2020	2021	2022	2023	Total
150,000	Town of Paradise Valley	340,000			1,500,000		1,840,000
Total	Total	340,000			1,500,000		1,840,000

Budget Impact/Other

CIP PROJECTS 2019

Capital Improvement Plan

Town of Paradise Valley, Arizona

Data in Year 2019 and 2023

Department Facility Improvement 30-40-9

Contact Jeremy Knapp

Type Improvement

Useful Life

Category Facility Improvement

Project # 2017-02

Project Name Police and PW Dept Backup Power

Priority Score 21

Account # 30-40-942

Total Project Cost: \$300,000

Description

Location: Police Department and Public Works Department

Installation of a new backup generator for the Police / Public Works Department.

This would provide for backup power during a power outage so both the Police Department and the Public Works Department can operate during a power outage, providing services to town residents when they may need it most during an emergency. The entire Public Works Building and select panels in the Police Department are currently on back up power. This project includes a load study, electrical design, and the purchase and installation of the existing generator. Police Department staff will be responsible for determining if the existing back up power setup is adequate or if additional items need to be added (i.e. work stations, phones, etc.). The cost identified is for a worst case scenario in terms of generator size.

Justification

General Plan Implementation Measures: 8.7-1.1

Prior	Expenditures	2019	2020	2021	2022	2023	Total
10,000	Planning/Design	40,000					40,000
	Construction/Maintenance	250,000					250,000
Total	Total	290,000					290,000

Prior	Funding Sources	2019	2020	2021	2022	2023	Total
10,000	Town of Paradise Valley	290,000					290,000
Total	Total	290,000					290,000

Budget Impact/Other

Prior

1,400

Total

CIP PROJECTS 2019

Capital Improvement Plan

Data in Year 2019 and 2023

Department Master Plans/Studies 30-40-33

Town of Paradise Valley, Arizona

Contact Eva Cutro

Project # 2016-08

Type Unassigned

Project Name Iconic Visually Significant Corridors, etc.

Useful Life

Category Master Plan/Study

Priority Score Unknown

Account # 30-40-330

Description

Total Project Cost: \$153,000

Location: Townwide

A townwide master plan identifying a program to improve and maintain rights-of-way corridors to represent the positive character and image of the town, through consistent right-of-way design as well as creating key gateways that differentiates the Town from surrounding communities. Also included in this master plan would be areas throughout the town where residents and visitors alike may passively recreate or gather together thereby promoting individual physical development, creativity and interaction among residents.

Justification

General Plan Implementation Measures: 3.3-1.7 / 4.5-1.10

See General Plan goals 3.3-1.5, 3.3-1.6, 3.3-1.7, 4.5-1.10. This plan will identify future CIP projects to accomplish these goals.

Prior	Expenditures	2019	2020	2021	2022	2023	Total
110,000	Planning/Design	43,000					43,000
Total	Total	43,000					43,000

Prior	Funding Sources	2019	2020	2021	2022	2023	Total
110,000	Town of Paradise Valley	43,000					43,000
Total	Total	43,000					43,000

Budget Impact/Other

Original budgeted amount of \$150,000 in FY17. The total contract amount equals \$152,383.60. Expected expenditures are \$110,000 in FY17 requiring a carryover of \$43,000 to FY18.

CIP PROJECTS 2019

Capital Improvement Plan

Data in Year 2019 and 2023

Department Sidewalks 30-40-979

Town of Paradise Valley, Arizona

Contact Jeremy Knapp

Project # 2017-05

Type Improvement

Project Name Lincoln Drive Sidewalks

Useful Life

Category Sidewalks

Priority Score 2

Account # 30-40-979

Total Project Cost: \$803,410

Description

Location: Various locations along Lincoln Drive from western town limits to eastern town limits.

Installation of 6' wide colored concrete sidewalks to complete a sidewalk connection to Scottsdale and Phoenix city limits.

This project will install 6' wide meandering colored concrete sidewalks which will complete a safe pedestrian connection along Lincoln Drive between the town's western boundary with the City of Phoenix and the eastern boundary with the City of Scottsdale linking housing to public transportation, places of worship, parks, medical offices and other services. Currently there are significant gaps in the existing sidewalk network along this corridor, requiring pedestrians to either walk on the shoulder or cross a major arterial to stay on the sidewalk. The town has requested and received approval for both ADOT funds for design assistance and CMAQ funds for construction assistance. The cost includes design, land acquisition, utility relocation and construction.

Justification

General Plan Implementation Measures: 4.5-1.6 / 4.5-1.7

Prior	Expenditures	2019	2020	2021	2022	2023	Total
276,000	Planning/Design	132,828					132,828
	Land Acquisition	201,171					201,171
Total	Construction/Maintenance	193,411					193,411
	Total	527,410					527,410

Prior	Funding Sources	2019	2020	2021	2022	2023	Total
276,000	Town of Paradise Valley	527,410					527,410
Total	Total	527,410					527,410

Budget Impact/Other

Budget Items	2019	2020	2021	2022	2023	Total
Personnel	200					200
Total	200					200

CIP PROJECTS 2019

Capital Improvement Plan

Data in Year 2019 and 2023

Town of Paradise Valley, Arizona

Department Sidewalks 30-40-979

Contact Jeremy Knapp

Type Improvement

Useful Life

Category Sidewalks

Project # 2018-06

Project Name 56th St. Sidewalks (Mockingbird to Doubletree)

Priority Score 25

Account # 30-40-979

Total Project Cost: \$100,000

Description

Location: West side of 56th Street - Mockingbird to Doubletree

Complete a sidewalk connection infilling gaps between existing sidewalks along the west side of 56th Street between Mockingbird Lane and Doubletree Ranch Road.

There is already a sidewalk on the east side of 56th Street. This project would complete the sidewalk on the west side and is necessary due to the amount of foot traffic at Cherokee Elementary School. There are existing pieces of concrete sidewalk along this corridor.

Justification

General Plan Implementation Measures: 4.5-1.6 / 4.5-1.7

Expenditures	2019	2020	2021	2022	2023	Total
Planning/Design	10,000					10,000
Construction/Maintenance	90,000					90,000
Total	100,000					100,000

Funding Sources	2019	2020	2021	2022	2023	Total
Town of Paradise Valley	100,000					100,000
Total	100,000					100,000

Budget Impact/Other

Prior

200

Total

CIP PROJECTS 2019

Capital Improvement Plan

Data in Year 2019 and 2023

Town of Paradise Valley, Arizona

Department SRP Undergrounding 30-40-9

Contact Jeremy Knapp

Type Improvement

Useful Life

Category SRP Undergrounding

Project # 2016-01

Project Name SRP 44th Street & Keim Conversion

Priority Score 14

Account # 30-40-938

Total Project Cost: \$1,224,385

Description

Location: In rear easement area between Keim Drive and Rose Lane from 44th Street north to Hogan Drive.

SRP Underground Conversion Project Keim Drive District is located in rear easement area between Keim Drive and Rose Lane from 44th Street north to Hogan Drive.

Underground scope includes construction of approximately 968 feet of trench, approximately 2,000 feet of 2.5" conduit and primary conductor, one (1) fuse cabinet, and as many as seven (7) pad-mounted transformers to serve the number of homes involved. As much as 400 feet of existing various types of service wire will need to be removed and re-installed as well. Overhead scope includes removal of eleven (11) poles, two (2) sets of anchors, approximately 1,936 feet of existing overhead primary conductor, and 968 feet of neutral conductor, along with five (5) pole-mounted transformers currently in place. Two (2) primary risers will need to be removed along with approximately 300 feet of existing overhead service conductors. Resolution #813 states the Town can contribute up to 66.7% of the total cost to underground SRP utility lines.

2016 Update: A new cost estimate was provided by SRP subsequent to a job site walk and their realizing the terrain issues. The new cost breakdown is as follows:

Design Cost = \$55,000 x 66.7% = \$36,685

Construction Cost = \$1,132,700-352,400 (SRP Aesthetics) x 66.7% = \$520,460 + \$55,000 (Century Link Costs) = \$575,460.

Town of Paradise Valley cost = \$575,460 + \$36,685 = \$612,145

Residents = \$259,840 (is 33.3% of total design + construction less the Aesthetics funds of \$352,400).

Town has \$391,866 in Aesthetics Funds from SRP as of February 2016.

Justification

General Plan Implementation Measures: 8.7-1.13/2.3-1.12/3.3-1.13

Expenditures	2019	2020	2021	2022	2023	Total
Planning/Design	193,109					193,109
Construction/Maintenance	1,031,276					1,031,276
Total	1,224,385					1,224,385

Funding Sources	2019	2020	2021	2022	2023	Total
Residents of Paradise Valley	193,109					193,109
SRP Aesthetics	645,000					645,000
Town of Paradise Valley	386,276					386,276
Total	1,224,385					1,224,385

Budget Impact/Other

No current or future operating cost, these are SRP facilities.

CIP PROJECTS 2019

Capital Improvement Plan

Data in Year 2019 and 2023

Town of Paradise Valley, Arizona

Department SRP Undergrounding 30-40-9

Contact Jeremy Knapp

Type Improvement

Useful Life

Category SRP Undergrounding

Project # 2020-02

Project Name SRP Denton Lane Conversion

Priority Score 15

Account # 30-40-938

Description

Total Project Cost: \$577,199

Location: Back of lots of houses on south side of Denton Lane east of Palo Cristi Road

SRP Underground Conversion Project Denton Lane District is located along the back of lots of houses on south side of Denton Lane east of Palo Cristi Road.

KJ2-00721 - Underground scope includes converting existing overhead facilities along back of lots of houses on south side of Denton Lane east of Palo Christi Rd. Project will require construction of approximately 969 feet of trench, 2,907 feet of conduit and conductor, placement of five (5) pad-mounted transformers, one (1) switch, and one (1) fuse cabinet. JJ2-00198 - Overhead scope includes removal of four (4) poles, one (1) 2-phase riser, four (4) secondary/service risers, approximately 1,737 feet of overhead conductor along with 332 feet of overhead neutral conductor, and several pole guys and anchors.

Resolution #813 states the Town can contribute up to 66.7% of the total cost to underground SRP utility lines.

Design Cost = \$50,000 x 66.7% = \$33,350

Construction Cost = \$477,100-\$88,000 (SRP Aesthetics) x 66.7% = \$259,530 + \$50,000 (Century Link Costs) = \$309,530.

Town of Paradise Valley cost = \$309,530 + \$33,350 = \$342,880

Residents = \$146,220 (is 66.7% of total design + construction less the Aesthetics funds of \$88,000).

2016 Update: The town has requested an updated cost estimate from SRP for this project.

Justification

General Plan Implementation Measures: 8.7-1.13/2.3-1.12/3.3-1.13

Expenditures	2019	2020	2021	2022	2023	Total
Planning/Design	50,000					50,000
Construction/Maintenance	88,000	439,199				527,199
Total	138,000	439,199				577,199

Funding Sources	2019	2020	2021	2022	2023	Total
Residents of Paradise Valley	110,067					110,067
SRP Aesthetics		246,866				246,866
Town of Paradise Valley	27,933	192,333				220,266
Total	138,000	439,199				577,199

Budget Impact/Other

No current or future operating cost, these are SRP facilities.

CIP PROJECTS 2019

Capital Improvement Plan

Data in Year 2019 and 2023

Department Streets 30-40-968

Town of Paradise Valley, Arizona

Contact Jeremy Knapp

Project # 2016-14.1

Type Improvement

Project Name Lincoln Dr. (Limits to Mockingbird) - Ritz Related

Useful Life

Category Streets

Priority Score 12

Account # 30-40-968

Total Project Cost: \$3,520,800

Description
Location: Lincoln Drive from Town Limits to Mockingbird lane
Reconstruction road to match the General Plan, Special Use Permit (SUP) and Development Agreement (DA) of Ritz Carlton Five Star Development
DA Exhibit E Items 2, 3, 4, 9, 10, 11, and 12
Justification
General Plan Implementation Measures: 4.5-1.11

Prior	Expenditures	2019	2020	2021	2022	2023	Total
820,000	Planning/Design	243,800					243,800
	Land Acquisition	160,000					160,000
Total	Construction/Maintenance	1,922,000					1,922,000
	Construction Admin	375,000					375,000
	Total	2,700,800					2,700,800

Prior	Funding Sources	2019	2020	2021	2022	2023	Total
820,000	Ritz Carlton	1,875,000					1,875,000
Total	Town of Paradise Valley	825,800					825,800
	Total	2,700,800					2,700,800

Budget Impact/Other

Budget Items	2019	2020	2021	2022	2023	Total
Personnel			11,325			11,325
Supplies/Materials			1,340			1,340
Utilities			628			628
Total			13,293			13,293

CIP PROJECTS 2019

Capital Improvement Plan

Data in Year 2019 and 2023

Town of Paradise Valley, Arizona

Department Streets 30-40-968

Contact Jeremy Knapp

Type Improvement

Useful Life

Category Streets

Project # 2016-14.2

Project Name Indian Bend (Limits to Mockingbird) - Ritz Related

Priority Score 9

Account # 30-40-968

Total Project Cost: \$1,700,000

Description

Location: Indian Bend from Town Limits to Mockingbird Lane.

Reconstruct road to match the General Plan, Speical Use Permit (SUP) and Development Agreement (DA) of Ritz Carlton Five Star Development.

This project anticipated cost is \$1.7M and totally funded by the Developer.

DA Exhibit E Items 1, 5, and 6

Justification

General Plan Implementation Measures: 4.5-1.11

Prior	Expenditures	2019	2020	2021	2022	2023	Total
20,000	Planning/Design	115,000					115,000
	Construction/Maintenance	1,430,000					1,430,000
	Construction Admin	135,000					135,000
	Total	1,680,000					1,680,000

Prior	Funding Sources	2019	2020	2021	2022	2023	Total
20,000	Ritz Carlton	1,680,000					1,680,000
	Total	1,680,000					1,680,000

Budget Impact/Other

Budget Items	2019	2020	2021	2022	2023	Total
Personnel			11,325			11,325
Supplies/Materials			1,340			1,340
Utilities			628			628
Total			13,293			13,293

CIP PROJECTS 2019

Capital Improvement Plan

Data in Year 2019 and 2023

Department Streets 30-40-968

Town of Paradise Valley, Arizona

Contact Jeremy Knapp

Project # 2016-14.3

Type Improvement

Project Name Mockingbird Ln S of Hummingbird - Ritz Related

Useful Life

Category Streets

Priority Score 18

Account # 30-40-968

Total Project Cost: \$2,750,000

Description

Location: Mockingbird Lane from Lincoln to Northern

Install medians to match the General Plan.

Development Agreement (DA) Exhibit E Items 7 and 8.

Justification

General Plan Implementation Measures: 4.5-1.11

Prior	Expenditures	2019	2020	2021	2022	2023	Total
200,000	Planning/Design	30,000					30,000
Total	Construction/Maintenance	2,290,000					2,290,000
	Construction Admin	230,000					230,000
	Total	2,550,000					2,550,000

Prior	Funding Sources	2019	2020	2021	2022	2023	Total
200,000	Ritz Carlton	1,760,000					1,760,000
Total	Town of Paradise Valley	790,000					790,000
	Total	2,550,000					2,550,000

Budget Impact/Other

Budget Items	2019	2020	2021	2022	2023	Total
Personnel			11,325			11,325
Supplies/Materials			1,340			1,340
Utilities			628			628
Total			13,293			13,293

CIP PROJECTS 2019

Capital Improvement Plan

Data in Year 2019 and 2023

Town of Paradise Valley, Arizona

Department Streets 30-40-968

Contact Jeremy Knapp

Type Improvement

Useful Life

Category Streets

Project # 2018-03

Project Name Mockingbird Lane Improvements (S. of Lincoln Rd.)

Priority Score 37

Account # 30-40-968

Total Project Cost: \$200,000

Description

This project includes the addition of vertical curb and gutter as well as sidewalk adjustments to complete the roadway cross section.

Justification

General Plan Implementation Measures: 4.5-1.11

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance	200,000					200,000
Total	200,000					200,000

Funding Sources	2019	2020	2021	2022	2023	Total
Town of Paradise Valley	200,000					200,000
Total	200,000					200,000

Budget Impact/Other

CIP PROJECTS 2019

Capital Improvement Plan

Data in Year 2019 and 2023

Department Streets 30-40-968

Town of Paradise Valley, Arizona

Contact Jeremy Knapp

Project # 2018-04

Type Improvement

Project Name Doubletree (64th St. to Scottsdale)

Useful Life

Category Streets

Priority Score 30

Account # 30-40-968

Total Project Cost: \$3,320,000

Description

Location: Doubletree - 64th Street (Invergordon) to Scottsdale

Reconstruct Doubletree to match General Plan cross section for a Minor Arterial. This cross section includes bike lanes, medians, sidewalks, roundabouts, landscaping and full curb and gutter.

Doubletree Road was reconstructed approximately 5 years ago to the General Plan cross section for a Minor Arterial. This project would continue that cross section from 64th Street to Scottsdale Road.

Justification

General Plan Implementation Measures: 3.3-1.7

Prior	Expenditures	2019	2020	2021	2022	2023	Total
130,000	Planning/Design	190,000					190,000
	Construction/Maintenance	3,000,000					3,000,000
Total	Total	3,190,000					3,190,000

Prior	Funding Sources	2019	2020	2021	2022	2023	Total
130,000	Town of Paradise Valley	3,190,000					3,190,000
Total	Total	3,190,000					3,190,000

Budget Impact/Other

Budget Items	2019	2020	2021	2022	2023	Total
Personnel		4,700				4,700
Supplies/Materials		790				790
Utilities		336				336
Total		5,826				5,826

CIP PROJECTS 2019

Capital Improvement Plan

Town of Paradise Valley, Arizona

Data in Year 2019 and 2023

Department Streets 30-40-968

Contact Jeremy Knapp

Type Improvement

Useful Life

Category Streets

Project # 2018-11

Project Name Pedestrian / Bicycle Improvements

Priority Score 3

Account # 30-40-968

Description

Total Project Cost: \$500,000

Design and implementation of projects identified in the Pedestrian / Bicycle Master Plan.

Justification

General Plan Implementation Measures: 4.5-1.6 / 4.5-1.7

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance	100,000	100,000	100,000	100,000	100,000	500,000
Total	100,000	100,000	100,000	100,000	100,000	500,000

Funding Sources	2019	2020	2021	2022	2023	Total
Town of Paradise Valley	100,000	100,000	100,000	100,000	100,000	500,000
Total	100,000	100,000	100,000	100,000	100,000	500,000

Budget Impact/Other

CIP PROJECTS 2019

Capital Improvement Plan Town of Paradise Valley, Arizona

Data in Year 2019 and 2023

Department Streets 30-40-968

Contact Jeremy Knapp

Type Improvement

Useful Life

Category Streets

Project # 2019-06

Project Name Golf Drive Improvements

Priority Score

Account # 30-40-968

Total Project Cost: \$75,000

Description

Justification

Expenditures	2019	2020	2021	2022	2023	Total
Planning/Design	75,000					75,000
Total	75,000					75,000

Funding Sources	2019	2020	2021	2022	2023	Total
Town of Paradise Valley	75,000					75,000
Total	75,000					75,000

CIP PROJECTS 2019

Capital Improvement Plan

Town of Paradise Valley, Arizona

Data in Year 2019 and 2023

Department Streets 30-40-968

Contact Jeremy Knapp

Type Improvement

Useful Life

Category Streets

Project # 2022-02

Project Name Mockingbird Ln N of Hummingbird

Priority Score

Account # 30-40-968

Total Project Cost: \$2,770,000

Description

Location: Mockingbird Lane from Hummingbird to Northern

Install medians to match the General Plan.

Justification

General Plan Implementation Measures: 4.5-1.11

Expenditures	2019	2020	2021	2022	2023	Total
Planning/Design	230,000					230,000
Construction/Maintenance	2,310,000					2,310,000
Construction Admin	230,000					230,000
Total	2,770,000					2,770,000

Funding Sources	2019	2020	2021	2022	2023	Total
Town of Paradise Valley	2,770,000					2,770,000
Total	2,770,000					2,770,000

CIP PROJECTS 2019

Capital Improvement Plan Town of Paradise Valley, Arizona

Data in Year 2019 and 2023

Department Technology 30-40-990

Contact Robert Kornovich

Type Equipment

Useful Life

Category Technology

Project # 2017-04

Project Name Implement Town-Wide Geographic Info. System (GIS)

Priority Score 36

Account # 30-40-990

Total Project Cost: \$250,000

Description

Town Hall Complex

This project will provide consistent GIS information and capabilities for Police, Public Works, Community Development, Utility Billing, and other Town functions.

GIS provides not only maps, but also geographic correlation of data and information. Municipalities with fully functioning GIS are able to make more informed decisions, often recognize genuine cost savings from greater efficiency, improve communication throughout the organization and the community, enhance geographic information recordkeeping, and are able to manage public services more effectively. In FY 2016, the Town undertook a GIS strategic planning effort to identify key short, medium, and long term prioritized objectives.

Justification

General Plan Implementation Measures: 8.7-1.5, 8.7-1.6, 8.7-1.7

Prior	Expenditures	2019	2020	2021	2022	2023	Total
161,676	Other	88,324					88,324
Total	Total	88,324					88,324

Prior	Funding Sources	2019	2020	2021	2022	2023	Total
161,676	Town of Paradise Valley	88,324					88,324
Total	Total	88,324					88,324

Budget Impact/Other

Prior	Budget Items	2019	2020	2021	2022	2023	Total
25,000	Contractual	25,000	25,000	25,000	25,000		100,000
Total	Total	25,000	25,000	25,000	25,000		100,000

CIP PROJECTS 2019

Capital Improvement Plan

Data in Year 2019 and 2023

Department Technology 30-40-990

Town of Paradise Valley, Arizona

Contact Robert Kornovich

Project # 2018-07

Type Improvement

Project Name Town Hall Complex Fiber Connections

Useful Life

Category Technology

Priority Score 41

Account # 30-40-990

Total Project Cost: \$150,000

Description

Creation of fiber rings at the town hall complex to resolve poor connectivity and increase speeds from 1gbps to 10gbps. This includes a run from Town Hall to Public Works replacing current failed line assuming conduit is viable. The second run is from Public Works to the Police Department. The third run is from Town Hall to Police Department.

Justification

General Plan Implementation Measures: 8.7-1.5, 8.7-1.6, 8.7-1.7

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance	150,000					150,000
Total	150,000					150,000

Funding Sources	2019	2020	2021	2022	2023	Total
Town of Paradise Valley	150,000					150,000
Total	150,000					150,000

Budget Impact/Other

CIP PROJECTS 2019

Capital Improvement Plan

Data in Year 2019 and 2023

Town of Paradise Valley, Arizona

Department Technology 30-40-990

Contact Robert Kornovich

Type Equipment

Useful Life

Category Technology

Project # 2018-08

Project Name CAD Enterprise Upgrade

Priority Score 10

Account # 30-40-990

Description

Total Project Cost: \$221,000

The current platform utilized is 17 years old, has limited GIS capabilities and has reached its end of life. The updated Computer Aided Dispatch adds robust tools to that include:

1. Exploration of ASAP to PSAP, reducing latency in response to alarms as vendors can send calls directly to first responders
2. Enhanced routing and on-scene information available for first responders
3. Enhanced data sharing across platforms, agencies, and external data services
4. Expandable as additional public safety technology functionality evolves
5. Expansions of data report and analytics
6. Platform is Next Generation 9-1-1 ready

Justification

General Plan Implementation Measures: 8.7-1.5, 8.7-1.6, 8.7-1.7

Expenditures	2019	2020	2021	2022	2023	Total
Other	221,000					221,000
Total	221,000					221,000

Funding Sources	2019	2020	2021	2022	2023	Total
Town of Paradise Valley	221,000					221,000
Total	221,000					221,000

Budget Impact/Other

CIP PROJECTS 2019

Capital Improvement Plan Town of Paradise Valley, Arizona

Data in Year 2019 and 2023

Department Wastewater 30-40-943

Contact Jeremy Knapp

Type Maintenance

Useful Life

Category Wastewater

Project # 2017-06

Project Name Sewer System Assessment

Priority Score 8

Account # 30-40-943

Total Project Cost: \$1,171,000

Description

Location: Town wide

This project involves the annual on-going assesment of the town owned sewer system.

Per the updated IGA with the City of Scottsdale, twenty percent of the system will be assessed annually for the first five years. The assessment will identify issues such as roots, aging pipe, dips, etc.

Justification

General Plan Implementation Measures: 6.3-1.15

Prior	Expenditures	2019	2020	2021	2022	2023	Total
468,400	Planning/Design	234,200	234,200	234,200			702,600
Total	Total	234,200	234,200	234,200			702,600

Prior	Funding Sources	2019	2020	2021	2022	2023	Total
468,400	Sewer Fund	234,200	234,200	234,200			702,600
Total	Total	234,200	234,200	234,200			702,600

Budget Impact/Other

CIP PROJECTS 2019

Capital Improvement Plan

Town of Paradise Valley, Arizona

Data in Year 2019 and 2023

Department Wastewater 30-40-943

Contact Jeremy Knapp

Type Maintenance

Useful Life

Category Wastewater

Project # 2019-05

Project Name Sewer System Improvements

Priority Score

Account # 30-40-943

Total Project Cost: \$1,000,000

Description

Begin programming monies for sewer system improvements as we will be completing the sewer assessment and will undoubtedly will have some manhole rehabilitation and sewer line repairs to complete.

Justification

Expenditures	2019	2020	2021	2022	2023	Total
Construction/Maintenance	200,000	200,000	200,000	200,000	200,000	1,000,000
Total	200,000	200,000	200,000	200,000	200,000	1,000,000

Funding Sources	2019	2020	2021	2022	2023	Total
Sewer Fund	200,000	200,000	200,000	200,000	200,000	1,000,000
Total	200,000	200,000	200,000	200,000	200,000	1,000,000

CIP PROJECTS 2019

Capital Improvement Plan

Town of Paradise Valley, Arizona

Data in Year 2019 and 2023

Department CIP Contingeny 30-40-999
Contact Jeremy Knapp
Type Unassigned
Useful Life
Category Contingency

Project # 2099-99

Project Name CIP Contingencies

Priority Score

Account #

Description

Total Project Cost: \$69,997

Justification

Expenditures	2019	2020	2021	2022	2023	Total
Other	69,997					69,997
Total	69,997					69,997

Funding Sources	2019	2020	2021	2022	2023	Total
Town of Paradise Valley	69,997					69,997
Total	69,997					69,997

SUPPLEMENTAL INFORMATION

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POLICIES AND MANDATES

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FISCAL POLICIES

► OPERATING BUDGET POLICIES:

1. Ongoing operating expenditures will be supported by ongoing, stable revenue sources.
2. Revenues will not be dedicated for specific purposes unless required by law or generally accepted accounting practices (GAAP). All non-restricted revenues will be deposited in the General Fund and appropriated by the budget process.
3. The Town shall not rely on a local property tax to pay for its expenditures.
4. The Town's compensation policy shall provide for regular review of salary ranges and include a provision for merit based salary adjustments.
5. Operating expenses will not be funded by debt issuance.
6. Cost recovery fees, where appropriate, may be established to offset the cost of providing specific services, and will be reviewed at least on an annual basis.
7. All non-enterprise user fees and charges will be examined annually to determine the direct and indirect cost of service recovery rate. The acceptable recovery rate and any associated changes to user fees and charges will be approved by the Town Council.
8. Enterprise fund rate structures will be reviewed annually to ensure they are adequate for the funds to remain separately self-supporting, including the costs of operation, capital outlay, debt service, depreciation, and interdepartmental charges for services where practical and appropriate.
9. The Town shall prudently maximize its investment income; generally to be used for expenditures not subject to the State imposed expenditure limitation.
10. Shifts in appropriations within fund and department totals not exceeding \$50,000 may be done administratively on the authority of the Town Manager by transferring budgeted funds from one department to another department to avoid contingency fund expenditure. Procedures for appropriations transfers and delegation of budget responsibility will be set by the Town Manager.
11. Shifts within department appropriations between personnel expenditures, expenses, capital leases, and photo radar expenditures may be done administratively on the written authority of the Town Manager.
12. Electronic funds transfer may be used to pay payroll expenditures and employee benefits previously authorized by Council or required by law.
13. Construction sales tax in excess of \$0.5 million will be transferred from the operating budget to the CIP fund to provide a dedicated CIP funding.

FISCAL POLICIES

► CAPITAL BUDGET POLICES:

1. A five-year capital improvement plan shall be prepared and updated each year.
2. The five-year capital improvement plan will be developed within the constraints of the Town's ability to finance improvements. Therefore, the CIP shall differentiate between those projects which will be financed from designated, recurring revenues and those which will be financed from the future capital project fund.
3. Operating costs to maintain capital improvements and additional resource needs will be estimated and identified as part of the capital project review process.
4. The Town Council shall designate revenue sources for financing recurring capital improvement projects such as street resurfacing. These revenue sources will be available to finance such projects on an ongoing basis.
5. A separate capital project fund shall be created. All funds accumulated in this fund shall be used exclusively for capital projects, but only after specific authorization by the Town Council.
6. Project appropriations and amendments shall be consistent with the capital improvement plan and must be approved by the Town Council.
7. Construction sales tax in excess of \$0.5 million will be transferred from the operating budget to the CIP fund to provide a dedicated CIP funding.

► FINANCIAL REPORTING POLICIES:

1. The Town's accounting and financial reporting systems will be maintained in conformance with all state and federal laws, generally accepted accounting principles (GAAP) and standards of Government Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).
2. A budgetary control system will be maintained to ensure compliance with the budget. Monthly reports will be distributed to the Town Manager and Departments for management of the budget. Quarterly reports will be prepared for Council for review.
3. Financial systems will maintain internal controls to monitor revenues, expenditures, and program performance on an ongoing basis.
4. An annual audit will be performed by an independent public accounting firm, with an audit opinion to be included with the Town's published Comprehensive Annual Financial Report (CAFR).
5. The Town's CAFR will be submitted to the GFOA Certification of Achievement for Excellence in Financial Reporting Program. The financial report should be in conformity with GAAP, demonstrate compliance with finance related legal and contractual provisions, disclose thoroughness and detail sufficiency, and minimize ambiguities and potentials for misleading inference.

FISCAL POLICIES

► CONTINGENCY AND RESERVES:

1. The following adopted budgets shall contain an operating contingency: General, Highway User Revenue, Alarm, Fire/EMS, and Wastewater Operating Funds. It shall be an amount of no less than 1% of the adopted budget total, but no more than 3% of the adopted budget total. The operating contingency account shall be funded from current revenues, just as any other planned operating expenses. Contingency appropriations supported by current revenues which are less than \$25,000 do not require Town Council approval. All uses of contingency appropriations not supported by current revenues must be approved by the Town Council.
2. A reserve equal to at least 90%, but not more than 110%, of the annual operating budget (General and HURF funds) operating expenditures will be maintained. The amount will be calculated using the budgeted expenses for the following year. The reserve is to be used for unforeseen emergencies, such as a significant loss of revenues or catastrophic impacts on the Town. At the time the Town Council approves the use of the reserve below 90%, it will also identify the time period over which the reserve will be replenished.
3. The Town desires to develop new reserve policies for major liabilities such as employee healthcare and risk management.
4. The Town desires to develop new sinking funds to accumulate funds for the replacement of major Town assets such as streets, facilities, vehicles, major equipment and technology.
5. Reserves equal to a minimum of 90 days of operating expenses will be maintained for the following funds: Alarm, Fire/EMS, and Wastewater Operations. The amount will be calculated using the budgeted operating expenses for the following year and will be used for revenue stabilization and major repairs.
6. The Contingency Fund is intended to create budget authority for the Town's remaining spending authority under the State of Arizona's Annual Expenditure Limit. Use of this authority requires approval of the Town Council.

All fund reserves will be evaluated annually for long-term adequacy and use requirements in conjunction with development of the Town's five-year financial plan.

► DEBT SERVICE POLICIES:

1. Long-term debt shall not exceed the Town's resources for repaying the debt.
2. Capital lease purchasing shall generally be used for financing capital equipment and land purchases and building improvements to remove the expenditures from the State imposed expenditure limitation.
3. Bond issuance shall be limited to capital improvement projects too large to be financed from current revenues, or too large to be included in the State imposed expenditure limitation.
4. Long-term debt payment schedules shall not exceed the expected useful life of the project.

FISCAL POLICIES

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STRATEGIC INITIATIVES

The purpose of this section is to communicate the Town's strategic long and short-term strategic initiatives, goals and directives.

The Town's Vision, Mission, Values and Strategic initiatives were Council approved by resolution no. 1195 on 9th day of July 2009. The current strategic goals were set at a Council policy retreat on March 2, 2017.

This annual budget supports and reaffirms these goals and initiatives; and serves as identifying the Town's work plan and service level expectations for the fiscal year 2018/19.

► VISION:

The Town of Paradise Valley makes every effort to enhance the community's unique character for its residents and people from around the world.

► MISSION:

The Town of Paradise Valley provides high quality public services to a community which values limited government.

► VALUES:

- ❖ Professionalism;
 - ❖ High quality customer service;
 - ❖ Teamwork;
 - ❖ Respect;
 - ❖ Accountability;
 - ❖ Transparency; and
 - ❖ Respect for Town Heritage.
-

► STRATEGIC INITIATIVES:

- Diligently preserve the special character of Paradise Valley by enforcing the land use policies identified in the Town's General Plan, Town Codes and SUP agreements.
 - Continuously provide high quality public safety services for Town residents and visitors.
 - Regularly invest in public facility and infrastructure projects.
 - Conscientiously manage the Town's financial resources.
 - Consistently identify opportunities to create and promote a more sustainable community.
-

STRATEGIC GOALS

► STRATEGIC GOALS:

Governance Improvements:

Improve processes and procedures to better serve residents.

1. Review, discuss, revise/draft Rules of Procedure for Council, Commission, BOA, and Hillside Committee (2 study session hours for Council rules, 3 study session hours to review others)
 - a. Address submittal requirements, timing, Code/Rules time deadlines, continuances, and speaker times, and number of Members to add an item to the agenda
 - b. Train regularly on the Rules and on other codes or laws impacting the body and have expanded orientation
 2. Broaden use of the Statement Of Direction process when Council delegates project
 3. Identify costs associated with all projects at an early phase to determine whether to spend the extra dollars on experts or more detailed studies
 4. Update ethics policy and related documents (2-5 study session hours)
 5. Review appointment process committee by committee (2 hours)
-

Lighting:

Preserve low light level conditions while realizing lighting is necessary for safety, security, and enjoyment of outdoor living

1. Council to articulate a Statement of Direction regarding desired lighting code re-write outcomes to guide Planning Commission discussions (1-2 hours)
 2. Complete lighting ordinance update related to: (5 study session hours)
 - a. Hillside
 - b. Flatlands
 - c. SUPs
 3. Outreach to contractors, landscape architects, SUPs, and residents
 4. Consultant to inform on trends and innovations in lighting
 5. Evaluate enforcement policies
-

Hillside:

Preserve and protect Hillside environment for aesthetics, safety and welfare of the Town of Paradise Valley

1. Define Statement of Direction for Hillside Ordinance review (2 study session hours)
 2. Evaluate additions to Mummy Mountain Trust (2-5 study session hours)
 3. Amend committee application to highlight Hillside knowledge (1 hour)
 4. Evaluate best practices for safety on Hillside projects (5-10 study session hours)
-

STRATEGIC GOALS

Infrastructure

Improve coordination to preserve and enhance existing infrastructure

1. Conduct regular and detailed coordination meetings on long range (5-7 years) planning efforts and projects:
 - a. among Departments, and
 - b. involve stakeholders
 - c. consider project overlap
 2. Evaluate CIP priorities (2 study session hours)
 - a. Good cost development
 - b. Realistic schedules
 - c. Re-evaluate at key project phases – cost vs. need
 3. Identify and evaluate traffic conditions and intersections (2-5 study session hours)
 - a. Alternative traffic management
-

Intergovernmental Relations

Protect our ability to find solutions and define our community

1. Work proactively with other municipalities/bordering jurisdictions
 - a. Coordinate meetings with similarly interested cities and towns (2 hours)
 - b. Participate in relevant consortiums, stakeholder groups, and caucuses
 - c. Engage other interested stakeholders (includes industry) (2 hours)
 - d. Establish timely communication efforts for critical information
 - e. Set legislative agenda annually (3 study session hours)
 - f. Establish a standing council agenda item to update legislation (15 min/biz mtg)
 - g. Deploy regular updates via town manager email
 - h. Legislative alerts for pressing matters
 - i. Ability to launch members of the governing body to assist (2 study session hours)
 2. Invest in professional services when warranted (1 study session hour)
 3. Recognition of legislators' support of PV efforts (2 hours)
 4. Develop a strategy to engage Council, residents, and relevant industry experts (2 hours)
 - a. Marshall the troops
 - b.
 - c. Create a training session to successfully deploy this strategy
-

STRATEGIC GOALS

Trash

Explore additional quality of life Improvements related to Trash collection

1. Provide Council direction on a Request For Proposal (1-3 hours)
 - a. reduce number of sanitation collection providers
 - b. evaluate service level
 - c. explore potential cost savings
-

Responsiveness to Residents

Once Council provides direction on a common resident concern, address it in a timely manner within the Town's ability.

1. Alarm monitoring (2-3 study session hours)
2. Cell Service (3-5 study session hours)
3. Storm water (2-10 study session hours)
4. ~~Traffic~~ (see Infrastructure goal above)
5. Enhance neighbor services
 - a. Continue strong police and security public outreach
 - b. Explore a mediation program (2 study session hours)
 - c. Expand new resident welcome letter topics

SUPPLEMENTAL SCHEDULES

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SCHEDULE OF CHANGES

FROM RECOMMENDED TO ADOPTED BUDGET

GENERAL & HURF FUNDS

Additions:

1. Legislative events \$5,000
2. Mummy mountain printing and publishing: \$3,500
3. Personnel items:
 - a. Public safety analyst from temp to full-time; need to include benefits: \$20,733
 - b. Part-time (0.25) prosecutor funded with contractual services in attorney's office plus: \$8,000
 - c. Funding for additional qualifications for Engineering position: \$13,000.
4. HURF
 - a. Carry-forward for Public works HURF project to resurface Hogan Dr, Hogan Cir, 44th St and Rose Ln: \$142,586; this carries forward HURF cash and expenditure limitation from 2018 to 2019 by increase fund balance in 2018 and the use of fund balance (HURF) in 2019: \$(142,586)
 - b. Additional one-time HURF funding, lowers GF planned use of fund balance: \$15,901.
5. Contingency set aside for specific use:
 - a. Benchmarking software \$10,000
 - b. Previous year's Bike ped contractual services \$30,000
6. Transfer out to CIP: \$20,000

Reductions:

7. Reduce trolley services: \$(27,000)
8. Reduce Police LPR expansion: \$(132,000)
9. Reduce general fund transfer to Fire services: \$(50,000)
10. Reduce Court x-ray maintenance from Public works: \$(1,600)

Net Additions and Reductions:

11. Net Change to Set-asides - General contingency: \$110,367
-

SCHEDULE OF CHANGES

CAPITAL PROJECTS

- 12. Town Funded: Current year CIP Town funded project: \$20,000
 - 13. Town Funded: *Carry forward* (budget authority) Town funded projects: **\$1,722,324**
 - a. Previously communicated on May 10th Council work session: \$1,263,000;
 - b. 2018 project (IT): Fiber connections \$150,000;
 - c. 2018 project (IT): GIS town-wide implementation \$88,324; and
 - d. 2018 project (Police): CAD enterprise upgrade \$221,000 (contract approved).
 - 14. Not town; Ritz-Carlson funded: Carry forward CIP projects paid by Ritz-Carlson: \$5,315,000
 - 15. Not town; SRP funded: Carry forward CIP projects paid by SRP: \$645,000
 - 16. Not town; Residents' funded: Carry forward CIP paid by residents' agreement: \$303,176
-

GRANTS AND DONATIONS

- 17. Adjust LTAF grant to anticipated award: \$(34,155)
 - 18. This grant had been the funding the Trolley; new use related to transportation will need to be identified by December 31, 2018.
-

FIRE SERVICE

- 19. Reduce expenditures (IGA): \$(95,875)
 - 20. Reduce transfer in from general fund: \$50,000
 - 21. Increase reserve assigned for subsequent year: \$45,875
-

ALARM SERVICE

- 22. Reduce contingency from \$108,000 to \$30,000.

LEGAL REQUIREMENTS

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BUDGET RESOLUTION

RESOLUTION NUMBER 2018-19

A RESOLUTION OF THE TOWN OF PARADISE VALLEY, ARIZONA ADOPTING THE FINAL BUDGET FOR THE FISCAL YEAR 2019

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes (A.R.S.), the Paradise Valley Town Council did, on May 24, 2018 make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property of the Town of Paradise Valley; and,

WHEREAS, in accordance with said chapter of said title, and following due public notice, the Council met on June 14, 2018 at which any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses or tax levies; and,

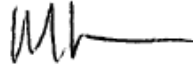
WHEREAS, it appears that publication has been duly made as required by law, of said estimates, together with a notice that the Town Council would meet on June 14, 2018 at the Office of the Town Council for the purpose of hearing taxpayers and adopting the Final Budget for Fiscal Year 2019.

NOW THEREFORE, BE IT RESOLVED, that the said estimates of revenues, and expenditures shown on the accompanying Exhibits A, C, D, E, F and G as now increased, reduced, or changed by and the same are hereby adopted as the budget of the Town of Paradise Valley for the fiscal year 2019.

BUDGET RESOLUTION

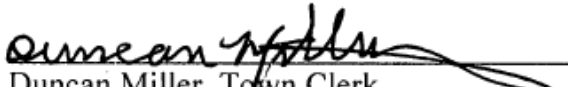
PASSED AND ADOPTED by the affirmative vote of the Paradise Valley Town

Council this 14th day of June, 2018.




Michael Collins, Mayor

ATTEST:


Duncan Miller, Town Clerk

APPROVED AS TO FORM


Andrew M. Miller, Town Attorney

STATE BUDGET FORMS

TOWN OF PARADISE VALLEY
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2019

Fiscal Year	S c h	FUNDS							
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds	Internal Service Funds	Total All Funds
2018	Adopted/Adjusted Budgeted Expenditures/Expenses*	24,129,206	5,003,894	1,101,400	15,946,400	0	6,219,400	0	52,400,300
2018	Actual Expenditures/Expenses**	17,512,191	4,928,352	1,100,069	5,965,148	0	5,667,205	0	35,172,965
2019	Fund Balance/Net Position at July 1***	4,909,110	200,925	467,697	4,197,400		392,284	0	10,167,416
2019	Primary Property Tax Levy	0							0
2019	Secondary Property Tax Levy								0
2019	Estimated Revenues Other than Property Taxes	31,926,415	1,302,651	0	6,263,176	0	5,971,000	0	45,463,242
2019	Other Financing Sources	0	0	0	0	0	0	0	0
2019	Other Financing (Uses)	0	0	0	0	0	0	0	0
2019	Interfund Transfers In	216,158	2,065,400	789,976	6,728,987	0	0	0	9,800,521
2019	Interfund Transfers (Out)	9,150,163	0	0	0	0	650,358	0	9,800,521
2019	Reduction for Amounts Not Available:								
LESS:	Amounts for Future Debt Retirement:								0
									0
									0
									0
2019	Total Financial Resources Available	27,901,520	3,568,976	1,257,673	17,189,563	0	5,712,926	0	55,630,658
2019	Budgeted Expenditures/Expenses	27,665,362	3,568,976	1,257,673	17,189,563	0	5,712,926	0	55,394,500

EXPENDITURE LIMITATION COMPARISON

- Budgeted expenditures/expenses
- Add/subtract: estimated net reconciling items
- Budgeted expenditures/expenses adjusted for reconciling items
- Less: estimated exclusions
- Amount subject to the expenditure limitation
- EEC expenditure limitation

	2018	2019
	\$ 52,400,300	\$ 55,394,500
	354,801	(356,492)
	52,755,101	55,038,008
	12,500,119	14,152,842
	\$ 40,254,982	\$ 40,885,166
	\$ 40,254,982	\$ 40,907,550

☒ The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

STATE BUDGET FORMS

TOWN OF PARADISE VALLEY Revenues Other Than Property Taxes Fiscal Year 2019

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
GENERAL FUND			
Local taxes			
Sales tax and audit	\$ 14,295,000	\$ 14,848,025	\$ 15,513,312
Occupancy (bed) tax	3,984,000	4,071,053	4,274,600
Franchise (fee) tax	1,044,000	1,027,795	1,029,000
All other local taxes		226	380
Licenses and permits			
Building permits	835,000	2,399,100	2,399,100
In house plan review	582,000	688,372	695,000
Hillside application	40,000	150,772	150,000
All other licenses and permits	442,000	502,784	495,000
Intergovernmental			
State shared income tax	1,758,000	1,777,811	1,762,232
State shared sales tax	1,071,000	1,346,296	1,424,721
Auto lieu tax	552,000	593,289	622,950
All other intergovernmental	25,000	25,000	25,000
Fines and forfeits			
Court collected fines	1,762,000	1,883,452	1,921,120
PD technology fee	588,000	632,277	635,000
Public safety fee	170,000	103,582	105,000
All other fines and forfeits	58,000	63,202	64,000
Interest on investments			
Interest income	20,000	156,252	100,000
Miscellaneous			
Rents and royalties	610,000	309,472	310,000
All other revenues	680,000	281,090	400,000
Total General Fund	\$ 28,516,000	\$ 30,859,850	\$ 31,926,415

SCHEDULE C

STATE BUDGET FORMS

TOWN OF PARADISE VALLEY Revenues Other Than Property Taxes Fiscal Year 2019

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
SPECIAL REVENUE FUNDS			
Highway user revenue fund (HURF)	\$ 811,000	\$ 919,102	\$ 917,768
Total HURF	\$ 811,000	\$ 919,102	\$ 917,768
Court enhancement	\$ 563,000	\$ 374,846	\$ 251,538
Court JCEF and Fill the Gap	15,000	14,913	11,500
Total Court	\$ 578,000	\$ 389,759	\$ 263,038
Police grants	\$ 141,000	\$ 141,000	\$ 68,845
Police contributions	15,000	17,677	15,000
Transportation grants			38,000
Total Police and other grants	\$ 156,000	\$ 158,677	\$ 121,845
Total Special Revenue Funds	\$ 1,545,000	\$ 1,467,538	\$ 1,302,651
CAPITAL PROJECTS FUNDS			
Ritz projects	\$ 5,335,000	\$ 5,335,000	\$ 5,315,000
SRP Aesthetics	352,400	352,400	645,000
Residents of Paradise Valley	259,800	259,800	303,176
	\$ 5,947,200	\$ 5,947,200	\$ 6,263,176
Total Capital Projects Funds	\$ 5,947,200	\$ 5,947,200	\$ 6,263,176
ENTERPRISE FUNDS			
Fees for services	\$ 190,000	\$ 185,000	\$ 185,000
Total Alarm Services Fund	\$ 190,000	\$ 185,000	\$ 185,000
Fees for services	\$ 2,851,000	\$ 2,845,789	\$ 2,851,000
IGA fee	245,000	245,000	245,000
Rents and reimbursements	76,000	56,951	60,000
Total Fire Services Fund	\$ 3,172,000	\$ 3,147,740	\$ 3,156,000
Fees for services	\$ 2,683,359	\$ 2,460,175	\$ 2,400,000
Buy back and miscellaneous	25,000	380,906	10,000
Total Wastewater Utility Fund	\$ 2,708,359	\$ 2,841,081	\$ 2,410,000
Impact fee	\$ 608,936	\$ 216,510	\$ 220,000
	\$ 608,936	\$ 216,510	\$ 220,000
Total Wastewater Impact Fee Fund	\$ 6,679,295	\$ 6,390,331	\$ 5,971,000
TOTAL ALL FUNDS	\$ 42,687,495	\$ 44,664,919	\$ 45,463,242

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

SCHEDULE C

STATE BUDGET FORMS

TOWN OF PARADISE VALLEY Other Financing Sources/<Uses> and Interfund Transfers Fiscal Year 2019

FUND	OTHER FINANCING 2019		INTERFUND TRANSFERS 2019	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Highway user revenue fund (HURF)	\$	\$	\$	2,065,400
Capital improvement plan (CIP)				6,294,787
Debt service fund				789,976
Fire services fund				
Wastewater utility fund			216,158	
Total General Fund	\$	\$	\$ 216,158	\$ 9,150,163
SPECIAL REVENUE FUNDS				
HURF from General fund	\$	\$	2,065,400	\$
Total Special Revenue Funds	\$	\$	2,065,400	\$
DEBT SERVICE FUNDS				
Debt service from General fund	\$	\$	789,976	\$
Total Debt Service Funds	\$	\$	789,976	\$
CAPITAL PROJECTS FUNDS				
CIP from General fund	\$	\$	6,294,787	\$
CIP from wastewater utility			434,200	
Total Capital Projects Funds	\$	\$	6,728,987	\$
ENTERPRISE FUNDS				
General fund	\$	\$	\$	216,158
Capital Projects funds				434,200
Total Enterprise Funds	\$	\$	\$	650,358
TOTAL ALL FUNDS	\$	\$	\$ 9,800,521	\$ 9,800,521

SCHEDULE D

STATE BUDGET FORMS

TOWN OF PARADISE VALLEY Expenditures/Expenses by Fund Fiscal Year 2019

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018	ACTUAL EXPENDITURES/ EXPENSES* 2018	BUDGETED EXPENDITURES/ EXPENSES 2019
GENERAL FUND				
Community development	\$ 1,826,300	\$ (183,505)	\$ 1,600,717	\$ 1,698,626
Engineering		527,345	453,273	737,605
Finance	2,373,800	(1,625,113)	630,429	570,652
Information technology		1,627,651	1,570,746	1,711,521
Mayor & Council	139,000		145,734	182,200
Public works	1,366,200	(545,466)	786,889	860,510
Tourism promotion	1,338,900		1,338,900	1,514,011
Town Attorney's office	579,300	3,520	494,669	609,048
Town Manager's office	796,700	137,159	923,276	1,075,822
Municipal court	813,900	(16,182)	726,900	789,633
Police department	7,197,900	1,136,148	8,840,658	8,966,067
Operating contingency	1,719,100	(1,083,451)		1,520,367
Assigned for future years'				1,429,300
Pension liability	6,000,000			6,000,000
Total General Fund	\$ 24,151,100	\$ (21,894)	\$ 17,512,191	\$ 27,665,362
SPECIAL REVENUE FUNDS				
Court enhancement	\$ 159,200	\$	\$ 157,700	\$ 251,538
Court grants	2,500		2,500	11,500
Grants and donations	103,000		100,052	180,184
Highway user revenue (streets)	4,717,300	21,894	4,668,100	3,125,754
Total Special Revenue Funds	\$ 4,982,000	\$ 21,894	\$ 4,928,352	\$ 3,568,976
DEBT SERVICE FUNDS				
Debt service fund	\$ 1,101,400	\$	\$ 1,100,069	\$ 1,257,673
Total Debt Service Funds	\$ 1,101,400	\$	\$ 1,100,069	\$ 1,257,673
CAPITAL PROJECTS FUNDS				
Capital improvement program	\$ 15,946,400	\$	\$ 5,965,148	\$ 17,189,563
Total Capital Projects Funds	\$ 15,946,400	\$	\$ 5,965,148	\$ 17,189,563
ENTERPRISE FUNDS				
Alarm fund	\$ 631,400	\$	\$ 270,422	\$ 339,968
Fire services fund	3,226,800		3,115,172	3,156,000
Wastewater fund	2,311,200		2,281,611	2,191,958
Wastewater impact fee fund	50,000			25,000
Total Enterprise Funds	\$ 6,219,400	\$	\$ 5,667,205	\$ 5,712,926
TOTAL ALL FUNDS	\$ 52,400,300	\$	\$ 35,172,965	\$ 55,394,500

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

SCHEDULE E

STATE BUDGET FORMS

TOWN OF PARADISE VALLEY Expenditures/Expenses by Department Fiscal Year 2019

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018	ACTUAL EXPENDITURES/ EXPENSES* 2018	BUDGETED EXPENDITURES/ EXPENSES 2019
Community development:				
General fund	\$ 1,826,300	\$ (183,505)	\$ 1,600,717	\$ 1,698,626
Department Total	\$ 1,826,300	\$ (183,505)	\$ 1,600,717	\$ 1,698,626
Engineering:				
General fund	\$	\$ 527,345	\$ 453,273	\$ 737,605
Enterprises		34,600	34,600	34,600
Department Total	\$	\$ 561,945	\$ 487,873	\$ 772,205
Debt service				
Debt service fund	\$ 1,101,400		\$ 1,100,069	\$ 1,257,673
Department Total	\$ 1,101,400		\$ 1,100,069	\$ 1,257,673
Finance:				
General fund	\$ 2,373,800	\$ (1,625,113)	\$ 630,429	\$ 570,652
Enterprise funds		203,768	203,400	203,400
Department Total	\$ 2,373,800	\$ (1,421,345)	\$ 833,829	\$ 774,052
Information technology:				
General fund	\$	\$ 1,627,651	\$ 1,570,746	\$ 1,711,521
Enterprise funds		61,600	61,600	61,600
Department Total	\$	\$ 1,689,251	\$ 1,632,346	\$ 1,773,121
Mayor & Council				
General fund	\$ 139,000		\$ 145,734	\$ 182,200
Department Total	\$ 139,000		\$ 145,734	\$ 182,200
Public Works				
General fund	\$ 1,366,200	\$ (545,466)	\$ 786,889	\$ 860,510
Highway user revenue fund	4,717,300	21,894	4,668,100	3,125,754
Enterprise funds		18,200	18,200	18,200
Department Total	\$ 6,083,500	\$ (505,372)	\$ 5,473,189	\$ 4,004,464
Tourism promotion				
General fund	\$ 1,338,900		\$ 1,311,900	\$ 1,514,011
Grants fund			27,000	38,000
Department Total	\$ 1,338,900		\$ 1,338,900	\$ 1,552,011
Town Attorney's office:				
General fund	\$ 579,300	\$ 3,520	\$ 494,669	\$ 609,048
Enterprise funds		56,600	56,600	56,600
Department Total	\$ 579,300	\$ 60,120	\$ 551,269	\$ 665,648
Town Manager's office				
General fund	\$ 796,700	\$ 137,159	\$ 923,276	\$ 1,075,822
Department Total	\$ 796,700	\$ 137,159	\$ 923,276	\$ 1,075,822

SCHEDULE F

STATE BUDGET FORMS

TOWN OF PARADISE VALLEY Expenditures/Expenses by Department Fiscal Year 2019

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018	ACTUAL EXPENDITURES/ EXPENSES* 2018	BUDGETED EXPENDITURES/ EXPENSES 2019
Wastewater services				
Enterprise funds	\$ 1,941,400	\$ (134,030)	\$ 1,776,675	\$ 1,761,200
Impact fees	50,000			25,000
Debt service	369,800		370,906	216,158
Department Total	\$ 2,361,200	\$ (134,030)	\$ 2,147,581	\$ 2,002,358
Contingencies:				
General fund	\$ 1,719,100	\$ (1,083,451)		\$ 1,520,367
Capital projects				69,997
Assigned for future years ¹				1,570,183
Public safety pension liability	6,000,000			6,000,000
Enterprise funds				159,100
Department Total	\$ 7,719,100	\$ (1,083,451)		\$ 9,319,647
Capital Improvement Program:				
Capital projects fund	\$ 15,946,400		\$ 5,965,148	\$ 17,119,566
Department Total	\$ 15,946,400		\$ 5,965,148	\$ 17,119,566
Alarm services:				
Enterprise funds	\$ 631,400	\$ (257,438)	\$ 12,954	\$ 52,500
Department Total	\$ 631,400	\$ (257,438)	\$ 12,954	\$ 52,500
Fire services:				
Enterprise funds	\$ 3,226,800	\$ (166,000)	\$ 2,949,570	\$ 2,860,423
Department Total	\$ 3,226,800	\$ (166,000)	\$ 2,949,570	\$ 2,860,423
Municipal court:				
General fund	\$ 813,900	\$ (16,182)	\$ 726,900	\$ 789,633
Court grants	161,700		160,200	203,600
Department Total	\$ 975,600	\$ (16,182)	\$ 887,100	\$ 993,233
Police department:				
General fund	\$ 7,197,900	\$ 1,136,148	\$ 8,840,658	\$ 8,966,067
Grants and donations	103,000		100,052	142,184
Alarm services		182,700	182,700	182,700
Department Total	\$ 7,300,900	\$ 1,318,848	\$ 9,123,410	\$ 9,290,951

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

SCHEDULE F

STATE BUDGET FORMS

TOWN OF PARADISE VALLEY Full-Time Employees and Personnel Compensation Fiscal Year 2019

FUND	Full-Time Equivalent (FTE) 2019	Employee Salaries and Hourly Costs 2019	Retirement Costs 2019	Healthcare Costs 2019	Other Benefit Costs 2019	Total Estimated Personnel Compensation 2019
GENERAL FUND	103	\$ 8,134,950	\$ 2,560,787	\$ 1,126,146	\$ 1,058,485	\$ 12,880,368
SPECIAL REVENUE FUNDS						
		\$	\$	\$	\$	\$
Total Special Revenue Funds		\$	\$	\$	\$	\$
DEBT SERVICE FUNDS						
		\$	\$	\$	\$	\$
Total Debt Service Funds		\$	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS						
		\$	\$	\$	\$	\$
Total Capital Projects Funds		\$	\$	\$	\$	\$
ENTERPRISE FUNDS						
		\$	\$	\$	\$	\$
Total Enterprise Funds		\$	\$	\$	\$	\$
TOTAL ALL FUNDS	103	\$ 8,134,950	\$ 2,560,787	\$ 1,126,146	\$ 1,058,485	\$ 12,880,368

SCHEDULE G

GLOSSARY

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FUND DESCRIPTIONS

This section is intended to familiarize readers with the fund-types and specific funds used by the Town to account for the public resources. A fund is a self-balancing set of accounts recording cash and other financial resources with related liabilities and equities or balances that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The Town uses the same basis of accounting for budget as is used in the annual audited financial statements.

► GOVERNMENTAL FUNDS:

Governmental-type funds are used to account for all of the County's expendable financial resources. The accounting basis is "modified accrual" that has a measurement focus is on determination of financial position rather than determination of income like a business. Revenues are recognized when they are both measurable and available.

Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period (60 days from the end of the accounting period). Expenditures generally are recorded when a liability is incurred except expenditures related to compensated absences and claims and judgments, which are recorded only when payment is due.

► GENERAL FUND:

The general fund is the primary operating fund. It accounts for all financial resources of the Town, except for those that are required, either by rule of statute or Generally Accepted Accounting Principles (GAAP), to be accounted for elsewhere, or chosen to do so for internal tracking purposes.

► SPECIAL REVENUE FUND:

Special revenue funds account for unique revenue sources that are legally restricted by statute, ordinance, or other specific requirements to finance specific functions or activities.

- Highway User Revenue Fund ("HURF") – The HURF accounts form the Town's share of restricted motor fuel tax revenues designated for highway construction, improvements and other related expenditures.
- Court Enhancement Fund – "The Court Enhancement Fund" accounts for court funds receive from the state of Arizona to improve the Town's court system. This fund also reports state funding sources "Judicial Collection Enhancement Fund" (JCEF) and "Fill the Gap" that is used for court enhancements.
- Arizona Lottery Fund ("ALF") – The ALF (also known as the "old LTAF") is a state shared revenue that is specifically designated for public transportation services.
- Police grants and donations is a restricted fund to account for various police grants and other donations.

FUND DESCRIPTIONS

▶ GOVERNMENTAL FUNDS: (concluded)

▶ DEBT SERVICE FUND:

Debt service funds are used to account for the resources that are accumulated for the payment of interest, principal, and related costs on general long-term debt, special assessments, and capital leases. This fund type is not used to account for the outstanding debt itself; that is maintained in the government-wide statements.

The Town has two debt services funds:

- ▶ The Paradise Valley Municipal Property Corporation (“PVMPC”) – the PVMPC issued long-term debt, for the construction of two fire stations and additional wastewater capacity. These bonds were subsequently refinance in 2009.
- ▶ 2016 excise tax bonds – the Town issued excise bonds in 2016 to finance the various capital projections, primarily the Public safety tower and street improvements.

▶ CAPITAL PROJECTS FUND:

Capital project funds account for the acquisition and construction of major capital activities. The reports all capital projections in aggregate but does tract the inflow and outflow of each individual project under the Capital Projects Plan. These funds have similar imposed restrictions to that of the Special Revenue Funds, but due to their capital nature is accounted for as Capital Project Funds.

▶ PROPRIETARY FUNDS:

Proprietary funds (*often referred to as “**Enterprise**” funds*) are entirely or predominantly self-supporting. These funds account for government services that are rendered to the public on a fee basis, which resembles the private sector. The accounting basis is full “accrual” that has a measurement focus is on determination of income and financial position.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expense generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

The Town of Paradise Valley utilizes four (4) Enterprise funds for the following services:

- ▶ Alarm;
- ▶ Fire;
- ▶ Wastewater; and
- ▶ Wastewater impact fees

TERMS AND DEFINITIONS

► PURPOSE: This section is intended to better familiarize the readers of this document with various terms and appropriate definitions of terms that are both important and commonly used in understanding governmental budgets.

Accural: A method of recognizing the financial effect of transactions and activities when they “occur”, rather than when cash is exchanged.

Actual vs. Budgeted: Difference between what was projected (budgeted) in revenues or expenditures at the beginning of the fiscal year and the actual receipts or expenses which are incurred by the end of the fiscal year

Adopted Budget: The final budget authorized by Town Council, enacted subsequent to a public hearing on the Tentative Budget.

Amended Budget: Subsequent to the approval of the Adopted Budget, the Town Council may make changes to the budget; the budget which includes all of the approved amendments is known as the Amended Budget.

Appropriation: An authorization made by the Town Council which permits the town to incur obligations to make expenditures for specific purposes

Asset: A resource owned or held by a government which has monetary value

Balanced Budget: Ensures that the use of resources for operating purposes does not exceed available operating resources over the course of the budget year.

Benchmark: A specific target or standard to be achieved.

Benchmarking: A continuous process of collecting information or benchmarks for assessing performance.

Bonds: A written promise to pay a specified sum of money (called the face value or principal amount) at a specified date in the future (called the maturity date), together with periodic interest at a specific rate.

Budget: A work and financial plan consisting of an estimate of proposed expenditures and their purposes for a given period and the proposed means of financing them.

Budgetary Control: The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenues

Capital Budget (Expenditures): Budget consisting of the five-year Capital Improvement Program (“CIP”) and operational capital outlay needs for the current fiscal year that meets the Town’s capitalization thresholds of a capital asset or a CIP project.

TERMS AND DEFINITIONS

Capital Improvement Program: A comprehensive five-year plan of capital projects which identifies priorities as to need, method of financing, and project cost and revenues; a guide for identifying current and future fiscal year requirements which becomes the basis for determining the annual capital budget

Capital Projects Fund: Used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by Proprietary and Trust Funds

Contingency: Budgetary appropriation reserved for emergency or unanticipated expenditures

Customer: Refers to users of Town services. Also refers to those paying for Town services (generally taxpayers). For Town departments whose function is to provide services to other Town departments, the “customer” is the department using the service.

Debt Service: The cost of paying principal and interest on borrowed money according to a predetermined payment schedule

Debt Service Fund: A fund established to account for the accumulation of resources for and the payment of general long-term debt principal and interest

Deficit: An excess of expenditures over revenues

Department: The basic organizational unit of government which is functionally unique in its delivery of services

Employee (or Fringe) Benefits: Contributions made by a government to meet commitments or obligations for employee benefits, including the government’s share of costs for Social Security and the various pension and insurance plans

Encumbrance: The legal commitment of appropriated funds to purchase an item or service which sets aside or commit funds for a specified future expenditure

Enterprise Funds: Used to account for operations including debt service (a) that are financed and operated in a manner similar to private businesses - where the intent of the government body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis is financed or recovered primarily through user charges; or (b) where the governing body has determined that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control accountability, or other purposes

Estimated Revenue: The amount of projected revenue expected to be collected during the fiscal year

Expenditure Limitation: The State of Arizona-imposed constitutional and statutory limitation on annual expenditures of all municipalities set by the Economic Estimates Commission based on population growth and inflation

Expenditure/Expense: The outflow of funds paid for an asset obtained or goods and services acquired

TERMS AND DEFINITIONS

Fiscal Policy: A government's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

Fiscal Year: A twelve-month operating period designated as July 1 through June 30 for accounting and budgeting purposes in the Town of Paradise Valley

Fixed Assets: Assets of long-term character that are intended to continue to be held or used, such as land, building, machinery, furniture, and other equipment

Franchise Fee: A fee (or tax) on utility companies such as gas and electric companies for their use of town rights-of-way, based on a percentage of their gross receipts

Fund: A set of inter-related accounts to record revenues and expenditures associated with a specific purpose, including Governmental (General, Special Revenue, Capital and Debt Service Funds), Fiduciary (Trust), and Proprietary (Enterprise) Funds

Fund Balance: The cumulative difference between revenues and expenditures with the ending fund balance of one fiscal year carried forward as the beginning fund balance of the next

General Fund: The general operating fund of the town used to account for all activities of the town not specifically accounted for in another fund

Goal: A statement of broad direction, purpose or intent based on the needs of the Town's customers.

Governmental Revenue: The revenues of a government other than those derived from and retained in an Enterprise Fund

General Obligation Bond: Bonds backed by the full faith, credit and taxing power of the issuing government that finance a variety of public projects such as streets, buildings, and improvements; repayment is usually made from secondary property taxes

Generally Accepted Accounting Principles (GAAP): Uniform minimum standards and guidelines to financial accounting and reporting which govern the form and content of the basic financial statements of an entity and encompass the conventions, rules, and procedures necessary to define the accepted accounting practices at a particular time, including both broad guidelines of general application and detailed practices and procedures

Grant: A contribution by a government or other organization to support a particular function; may be classified as either operational or capital depending upon the nature of the grant

Highway User Revenue Fund: Special Revenue Fund that accounts for transportation related revenue and expenditures associated to the construction or maintenance of town streets consisting of state taxes collected on gasoline and a number of other additional transportation related fees; must be used for street and highway purposes

TERMS AND DEFINITIONS

Infrastructure: Physical assets of a government (e.g., streets, water, sewer, public buildings, and parks)

Lease-Purchase Agreement: Contractual agreement by which capital outlay may be purchased by making annual lease payments

Line-Item Budget: Budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately along with the dollar amount budgeted for each specified category

Local Transportation Assistance Fund: intergovernmental state shared revenue generated by the state lottery and distributed is based on population; must be used for public transportation

Long-Term Debt: Debt with a maturity of more than one year after the date of issuance

Maturity Date: The date by which long-term debt will be paid off

Mission: A succinct statement describing an organizational unit's purpose, identifying the value that entity adds to the quality of life or level of service available throughout Paradise Valley.

Municipal Property Corporation: A non-profit corporation with the main purpose of providing a financing alternative by issuing bonds to fund the cost of acquiring, constructing, reconstructing, and improving various municipal properties and buildings suitable for use by and for leasing to the town; MPC bonds do not require voter approval and are not considered debt to the municipality

Recommended Budget: The budget proposal submitted annually to the Town Council, containing the specific recommendations of the Town Manager.

Revenue: Money received as income. It includes, but not limited to, such items as tax payments, fees for specific services, receipts from other governments, fines, and interest income.

Special Revenue Fund: Fund for monies legally restricted to expenditures for specific purposes, including the Highway User Fund, the Donations Fund, and various grant funds

State Forms: Used to identify forms provided by the State on which counties, cities and counties, and school districts report required information relative to its adoption of an annual budget.

Supplies and Services: A group of related accounts identifying a department's expenditures for products and services necessary for meeting operating needs, not including capital outlay, debt service, or payroll related costs.

Tentative Budget: The annual preliminary budget voted upon by Town Council which, after a public hearing, is the basis for the Council's final action to adopt an annual Town Budget.

Unearned Revenue: A liability for resources that the Town receives before it can be classified as revenue; typically, an advance from a grant.